FOURTH REPUBLIC
8TH NATIONAL ASSEMBLY
THIRD SESSION
NO. 100

HOUSE OF REPRESENTATIVES FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 3 May, 2018

1. The House met at 11.21 a.m. Mr Speaker read the Prayers.

2. **Votes and Proceedings**
Mr Speaker announced that he had examined and approved the *Votes and Proceedings* of Wednesday, 2 May, 2018.

The ***Votes and Proceedings*** *was adopted by unanimous consent.*

3. **Announcements**
(*a*) *Visitors in the Gallery*:
Mr Speaker recognised the presence of the following:

(*i*) Staff and Students of ***Fountain of Knowledge, International Academy,*** Uke, Nasarawa State;

(*ii*) Students of ***Department of History and Diplomatic Studies,*** Faculty of Arts, University of Abuja, Gwagwalada;

(*iii*) Staff and Students of ***Anglican Comprehensive Secondary School,*** Kpeygi, Kubwa, Abuja; and

(*iv*) Staff and Students of ***Model Comprehensive Secondary School,*** Jengre, Bassa Local Government Area, Plateau State.

(*b*) ***Bereavement:***
Mr Speaker read the following communications from:

(*i*) Hon. Mpigi Barinada (*Eleme/Oyigbo/Tai Federal Constituency*), announcing the death of his mother, Lady Victoria Ntorkawa, who died on Tuesday, 24 April, 2018 at the age of 70;

(ii) Hon. Saheed Akinade-Fijabi (*Ibadan Southwest/Ibadan Northwest Federal Constituency*), informing the House of the demise of Hon. Michael Adeyemo, Speaker Oyo State House of Assembly, which occurred on Friday; 27 April, 2018 at the age of 47; and

(iii) Hon. Zaphaniah Bitrus Jisalo (*Abuja Municipal/Bwari Federal Constituency*), announcing the death of his father, Papa-Bitrus Jisalo, who passed away on Thursday, 26 April, 2018.

A minute silence was observed in honour of the departed souls.

4. **Petitions**

(i) A petition from Nwaneri Blessing Ekwutosi, on her dismissal from the Nigerian Immigration Service, was presented and laid by Hon. Jones Chukwudi Onyereri (*Nkwerre/Isu/Nwangele/Njaba Federal Constituency*)

(ii) A petition from Concerned Citizens of Abua, Odual and Otari community against the Niger Delta Petroleum Resources Limited, over the oil/chemical spillage, lack of corporate social responsibility and non-adherence to Local Content Laws, was presented and laid by Hon. Betty Apiafi (*Ahoada East/Abua/Odual Federal Constituency*);

(iii) A petition from Dike Jideofo Igbozurike, on the alleged fraud and non-payment of his commission by Atlas Microfinance Bank Limited in line with the Bank's deposit mobilisation policy, was presented and laid by Hon. Alagbaoso Jerry (*Orlu/Orsu/Oru East Federal Constituency*);

(iv) A petition from 45 staff of Defunct Hydrocarbon Pollution Restoration Projects (HYPREP), on the non-payment of their outstanding salaries by the Ministry of Environment, was presented and laid by Hon. Henry Nwawuba (*Mbaitoli/Ikeduru Federal Constituency*);

(v) Petitions from the following persons were presented and laid by Hon. Istifanus Gyang Dung (*Barkinladi/Riyom Federal Constituency*):

(a) CPL Alfred Eremen and one other, on their dismissal from the service of the Nigeria Police;

(b) Alexander I. Moro (Solicitor & Advocate), on behalf of Utaghan Ayonfe, on his dismissal from the service of the Nigeria Police;

(c) Nnaemeka Ejiofor & Associates (Legal Practitioners & General Consultants),on behalf of Seal Consultants on the alleged unauthorised use and refusal to pay compensation for their intellectual property rights by the Central Bank of Nigeria (CBN);

(d) J. O. C. Ifedi & Co. (Integrity Chambers), on behalf of the Akpaka family on the alleged murder of Rita Ugwuegbulam by officers of Enugu State Police Command;

(e) OluSegun Attiko, on his dismissal from the service of the Nigerian Ports Authority;

(f) Kalson Joseph I. O., on the refusal of the Nigeria Police, to comply with a Federal High Court Judgement in Suit No. FHC/ABJ/CS/713/2014;

(g) Adokiye Aderika, on behalf of Wakirike Progressive Youths Association, on their exclusion from the AITEO Surveillance Contract;

(*h*) Adokiye Aderika, on behalf of Okirika Planned Boundary Surveillance Group, on the attempt by AITEO to exclude them in the Pipeline Surveillance contract;

(*i*) Raypointe Solicitors, on behalf of Celestine Omeni, on the breach of Insurance policy by UNIC Insurance Plc;

(*j*) The Congress and Members of the Senior Staff Association of Nigeria Polytechnics, and Federal Polytechnic of Oil and Gas Ekwusi Chapter, Bayelsa State on the persistent shortfall in the payment of their salaries by the management of the Institution;

(*k*) Indigenes of Braide-Amr Ibiapu-Ama, Ibim-Ama, Leleama, Lelekiri, Tubofiya, Tubofiya-Kiri, Boto Ama on their exclusion in the surveillance of Gas Pipeline contract;

(*l*) Primes Oil Development Service Limited, on the attempt to wind-up their company by AMCON and retain their title documents;

(*m*) Ukpebor, Ukpebor & Co., on behalf of Okpekpe Clan and Uzanu town in Etsako Local Government Area, Edo State, on the need to effect repairs on rusted Pipelines and stop gas bubbling in the community;

(*n*) Chuka Obele-Chuka, on behalf of Association of Landlords of Block VII, Phase V, Core Area, Asaba, Delta State, on the alleged violation of Electricity Laws and Regulations by the Benin Electricity Distribution Company Plc (BEDC) and its refusal to re-connect power supply lines as directed by the Nigerian Electricity Regulatory Commission (NERC);

(*o*) Clinton C. Ugorji, on the alleged breach of contract and non-payment of workers' salaries by Total Exploration and Production Nigeria Limited;

(*p*) Hussaini Saule ACP and 1 other, on the non-payment of their promotion arrears by the Nigerian Prisons Service;

(*q*) O. J. Onoja & Associates (Legal Practitioners, Arbitrators & Notary Public), on behalf of Muhammad A Bamali, on the refusal of Alkhairi Oil Plus Limited to comply with the terms of sales & purchase agreement and payment schedule as agreed by the parties;

(*r*) Bola Aidi & Co., (Legal Pratitioners & Property Consultatnts), on behalf of Shamsideen Alade Adepimpe, on the alleged harassment and intimidation by the Nigeria Police, Idimu Command, Lagos State; and

(*s*) Bata Bukar Mshelia Biu, on the non-payment of his promotion arrears by the Nigerian Prisons Service.

Petitions referred to the ***Committee on Public Petitions.***

5. **Matter of Urgent Public Importance (Standing Order Eight, Rule 4)**
Death of a Serving Youth Corp Member, Miss Amadi Eva Ichechukwu at an Orientation Camp in Kwara State and the Need to Improve Medical Facilities and Personnel at Orientation Camps Across the Country:
Hon. Blessing Nsiegbe Ibiba (*Port Harcourt II Federal Constituency and* 3 *others*) introduced the matter and prayed the House to:

(*a*) consider and approve the matter as one of urgent public importance; and (*b*) suspend Order Eight, Rule 4 (3) to allow debate on the matter forthwith.

Question that the matter be considered as one of urgent public importance — Agreed to.

Question that the House do suspend Order Eight, Rule 4 (3) *to enable it debate the matter forthwith — Agreed to.*

Death of a Serving Youth Corp Member, Miss Amadi Eva Ichechukwu at an Orientation Camp in Kwara State and the Need to Improve Medical Facilities and Personnel at Orientation Camps Across the Country:

The House:

Notes the recent death of one Miss Amadi Eva Ichechukwu, a 2018 Batch A Corp Member with Registration No. KW/18A/0135 at the Yikpata Orientation camp in Edu Local Government Area, Kwara State;

Also notes that the deceased who was a graduate of Oil and Gas Engineering from the University of Port Harcourt, was said to have died from injuries sustained during a "Man O War" drilling exercise, after falling off the string in the course of the exercise at the camp. She was said to have been rushed to the NYSC clinic, where Doctors who were themselves Corps Members could do very little to save her life;

Further notes that there have been cases of deaths of Corps Members in some orientation Camps across the country; for instance, One Ukeme Monday was said to have died in orientation camp, Zamfara State in February 2017;

Worried about the risky nature of some of the rigorous exercises and strenuous drills that Youth Corps members are subjected to by military personnel attached to the various orientation camps in the country;

Informed that facilities available in the orientation camps, including equipments, structures, medical facilities and personnel are either poor, dilapidated or in short supply;

Aware that the NYSC scheme was established amongst other things, foster oneness and unity in diversity among the various ethnic groups in the country, and under it, Nigerian graduates from Universities who are below thirty (30) years are required to embark on a mandatory one year service to their fatherland;

Concerned about the safety of innocent Corps Members who leave their homes to serve their country only to be cut down in their prime by the cold hands of death, through no fault of theirs;

Also worried that unless very urgent steps are taken to improve the conditions of orientation camps across the country, people would become despondent and disillusioned and the country would be worse for it;

Resolves to:

(*i*) observe a minute silence in honour of the deceased;

(*ii*) urge the Federal Government to take urgent step to improve the condition of orientation camps across the country, including medical facilities and personnel; and (*iii*) mandate the Committee on Youth Development to investigate the condition of the orientation camps across the country and the circumstances surrounding the death of the deceased Corp member and report back within one (1) month for further legislative action (*Hon. Blessing Ibiba Nsiegbe — Port Harcourt II Federal Constituency*).

Debate.

Agreed to.

The House:

Noted the recent death of one Miss Amadi Eva Ichechukwu, a 2018 Batch A Corp Member with Registration No. KW/18A/0135 at the Yikpata Orientation camp in Edu Local Government Area, Kwara State;

Also noted that the deceased who was a graduate of Oil and Gas Engineering from the University of Port Harcourt, was said to have died from injuries sustained during a "Man O War" drilling exercise, after falling off the string in the course of the exercise at the camp. She was said to have been rushed to the NYSC clinic, where Doctors who were themselves Corps Members could do very little to save her life;

Further noted that there have been cases of deaths of Corps Members in some orientation Camps across the country; for instance, One Ukeme Monday was said to have died in orientation camp, Zamfara State in February 2017;

Worried about the risky nature of some of the rigorous exercises and strenuous drills that Youth Corps members are subjected to by military personnel attached to the various orientation camps in the country;

Informed that facilities available in the orientation camps, including equipments, structures, medical facilities and personnel are either poor, dilapidated or in short supply;

Aware that the NYSC scheme was established amongst other things, foster oneness and unity in diversity among the various ethnic groups in the country, and under it, Nigerian graduates from Universities who are below thirty (30) years are required to embark on a mandatory one year service to their fatherland;

Concerned about the safety of innocent Corps Members who leave their homes to serve their country only to be cut down in their prime by the cold hands of death, through no fault of theirs;

Also worried that unless very urgent steps are taken to improve the conditions of orientation camps across the country, people would become despondent and disillusioned and the country would be worse for it;

Resolved to:

(*i*) observe a minute silence in honour of the deceased;

(*ii*) urge the Federal Government to take urgent step to improve the condition of orientation camps across the country, including medical facilities and personnel; and

(*iii*) mandate the Committee on Youth Development to investigate the condition of the orientation camps across the country and the circumstances surrounding the death of the deceased Corp member and report back within one (1) month for further legislative action (**HR. 158/05/2018**).

A minute silence was observed in honour of the deceased.

6. **Personal Explanations (Order Eight, Rule 5)**

(*i*) Hon. Evelyn Omavowan Oboro (*Okpe/Sapele/Uvwie Federal Constituency*) informed the House of the non-compliance with the House Resolution (**HR. 129/03/2018**) by the Committee on Appropriations to include budgetary provision for the take-off of the Federal University of Petroleum Resources, Effurun, Delta State, in the 2018 Appropriation, leading some militants to threaten disruption of production of oil and gas in the area.

Ordered: Matter referred to the Committee on Legislative Compliance.

(*ii*) Hon. Karimi Sunday Steve (*Yagba East/Yagba West/Mopamuro Federal Constituency*) informed the House of treatment meted out to Sen. Dino Melaye by Security Agents and explained that the Senator who had earlier been arraigned in Abuja the previous day was transported again to Lokoja and arraigned in a stretcher in court.

Mr Speaker remarked that while the law should be allowed to take its course with regards to the arraignment the Senator's health should be considered paramount.

7. **Presentation of Bills**

The following Bills were read the *First Time*:

(1) Federal Polytechnic, Kafanchan (Establishment) Bill, 2018 (HB. 1440).

(2) Federal College of Education (Special), Birnin Kudu (Establishment) Bill, 2018 (HB. 1441).

(3) Road Accident Victims (Compulsory Compensation) Bill, 2018 (HB. 1442).

8. **Presentation of Reports**

(*i*) ***Report of Conference Committee:***

Motion made and Question proposed, "That the House do receive the Report of the Conference Committee on a Bill for an Act to Amend the Industrial Development (Income Tax Relief) Act, Cap. I7, Laws of the Federation of Nigeria, 2004 and for Related Matters" (*Hon. Henry Nwawuba — Mbaitoli/Ikeduru Federal Constituency*).

Agreed to.

Report laid.

(*ii*) ***Committee on Public Petitions:***

Report by the Coalition of Civil Society Organisation for Justice and Equity:

Motion made and Question proposed, "That the House do receive the Report of the Committee on Public Petitions on the Petition by the Coalition of Civil Society Organisation for Justice and Equity against the Nigeria Police Force" (*Hon. Uzoma Nkem-Abonta — Ukwa East/Ukwa West Federal Constituency*).

Agreed to.

Report laid.

9. **A Bill for an Act to Amend the Coastal and Inland Shipping (Cabotage) Act, No. 5, 2003 to restrict the use of Foreign Vessels in Domestic Coastal and Inland Commercial activities, to Promote the Development of Indigenous Tonnage and Establish a Cabotage Vessel Financing Fund and for Related Matters (HB. 529) — *Third Reading.***

Motion made and Question proposed, "That a Bill for an Act to Amend the Coastal and Inland Shipping (Cabotage) Act, No. 5, 2003 to restrict the use of Foreign Vessels in Domestic Coastal and Inland Commercial activities, to Promote the Development of Indigenous Tonnage and Establish a Cabotage Vessel Financing Fund and for Related Matters (HB. 529) be now read the Third Time" (*Hon. Orker-Jev Emmanuel Yisa — Buruku Federal Constituency*).

Question agreed to.

Bill read the Third Time and passed.

10. **A Bill for an Act to Repeal the National Inland Waterways Authority Act, Cap. N47, LFN 2004 and Enact the Nigerian Inland Waterways Bill, Establish the Nigerian Inland Waterways Authority to provide for the Management, Regulation and Development of the Nigerian Inland Waterways and to Promote Private Sector participation in the Development of the Nigerian Inland Waterways in Nigeria and for Related Matters (HB. 267 and HB. 854) — *Third Reading***

Motion made and Question proposed, "That a Bill for an Act to Repeal the National Inland Waterways Authority Act, Cap. N47, LFN 2004 and Enact the Nigerian Inland Waterways Bill, Establish the Nigerian Inland Waterways Authority to provide for the Management, Regulation and Development of the Nigerian Inland Waterways and to Promote Private Sector participation in the Development of the Nigerian Inland Waterways in Nigeria and for Related Matters (HB. 267 and HB. 854) be now read the Third Time" (*Hon. Orker-Jev Emmanuel Yisa — Buruku Federal Constituency*).

Question agreed to.

Bill read the Third Time and passed.

11. **A Bill for an Act to Establish the Chartered Institute of Commodity Brokers of Nigeria (CICBN) and for Related Matters (HB. 417) — *Third Reading***

Motion made and Question proposed, "That a Bill for an Act to Establish the Chartered Institute of Commodity Brokers of Nigeria (CICBN) and for Related Matters (HB. 417) be now read the Third Time" (*Hon. Orker-Jev Emmanuel Yisa — Buruku Federal Constituency*).

Question agreed to.

Bill read the Third Time and passed.

12. **A Bill for an Act to Establish the National Alternative Dispute Resolution Regulatory Commission with Responsibility to Promote and Regulate the Practice and use of Alternative Dispute Resolution in Nigeria; and for Related Matters (HB. 1300) — *Second Reading***

Motion made and Question proposed, "That a Bill for an Act to Establish the National Alternative Dispute Resolution Regulatory Commission with Responsibility to Promote and Regulate the Practice and use of Alternative Dispute Resolution in Nigeria; and for Related Matters (HB. 1300) be now read a Second Time" *(Hon. Jones Chukwudi Onyereri — Nkwerre/Isu/Nwangele/Njaba Federal Constituency).*

Debate.

Debate adjourned to enable the sponsor of the Bill make further consultations.

13. **A Bill for an Act to make Provision for Health Warning in the Advertisement of Alcohol in Nigeria; and for Related Matters (HB. 1286)** — *Second Reading*
Motion made and Question proposed, "That a Bill for an Act to make Provision for Health Warning in the Advertisement of Alcohol in Nigeria; and for Related Matters (HB. 1286) be now read a Second Time" (*Hon. Hosea Danasabe Charles — Gashaka/Kurmi/Sardauna Federal Constituency*).

Debate.

Question that the Bill be read a Second Time — ***Agreed to.***

Bill read the Second Time.

Bill referred to the **Committee on Healthcare Services.**

14. **A Bill for an Act to Establish the Federal Polytechnic, Ile-Oluji, Ondo State to Provide for Equity and Access to Tertiary Education in the Country, make Comprehensive Provisions for its Due Management and Administration; and for Related Matters (HB. 1299)** — ***Second Reading***

Order read; deferred by leave of the House.

15. **A Bill for an Act to make Provisions for Optional Paternity Leave to all Married Male Employees in Private and Public Service; and for Related Matters (HB. 1191)** — ***Second Reading***
Motion made and Question proposed, "That a Bill for an Act to make Provisions for Optional Paternity Leave to all Married Male Employees in Private and Public Service; and for Related Matters (HB. 1191) be now read a Second Time" (*Hon. Edward Gyang Pwajok — Jos South/Jos East Federal Constituency*).

Debate.

Question that the Bill be read a Second Time — ***Negatived.***

16. **Call to Investigate the Killing of Late Ifeanyi Okafor by the Police at Okwelle, Onuimo L.G.A, Imo State**
Motion made and Question proposed:

The House:

Notes that the Right to life is the foremost Fundamental Right guaranteed to all as enshrined in Section 33 of the Constitution of the Federal Republic of Nigeria, 1999 (as amended);

Regrets that over time, there have been several reports of violation of this all important Right by security agents in Nigeria, especially the Nigeria Police Force;

Informed of the unfortunate and unwarranted killing of Late Ifeanyi Okafor by a Police Officer right opposite the Okwelle Police Station in Onuimo L.G.A., Imo State;

Also informed that on 9 February, 2018 the said Police Officer demanded for the sum of Five Hundred Naira (₦500) from the deceased, but when his demand was not met, the Police Officer fatally shot Mr Okafor;

Worried that several incidences of extra-judicial killings by security agents in Nigeria often go unchecked and largely unreported;

Recalls a recent outcry against similar extra-judicial killings by men of the Police Special Anti-Robbery Squad (SARS) across the country which made the Police authorities promise to re-organize the SARS;

Observes that extra-judicial killings erode the confidence of Nigerians in the Nigeria Police Force, and this distrust has a direct adverse effect on the cooperation between the Police and the public to combat crime;

Convinced that it is time, as representatives of the people, to lend our voices to the campaign against extra-judicial killings in Nigeria by security operatives;

Resolves to:

(*i*) condemn the killing of the Late Ifeanyi Okafor;

(*ii*) also condemn all acts of extortion and harassment by men of the Nigeria Police Force; and

(*iii*) mandate the Committee on Police Affairs to investigate the incidence surrounding the killing and ensure that the family of the deceased gets justice (*Hon. Nkeiruka Onyejeocha — Isuikwuato/Umunneochi Federal Constituency*).

Debate.

Agreed to.

The House:

Noted that the Right to life is the foremost Fundamental Right guaranteed to all as enshrined in Section 33 of the Constitution of the Federal Republic of Nigeria, 1999 (as amended);

Regretted that over time, there have been several reports of violation of this all important Right by security agents in Nigeria, especially the Nigeria Police Force;

Informed of the unfortunate and unwarranted killing of Late Ifeanyi Okafor by a Police Officer right opposite the Okwelle Police Station in Onuimo L.G.A., Imo State;

Also informed that on 9 February, 2018 the said Police Officer demanded for the sum of Five Hundred Naira (₦500) from the deceased, but when his demand was not met, the Police Officer fatally shot Mr Okafor;

Worried that several incidences of extra-judicial killings by security agents in Nigeria often go unchecked and largely unreported;

Recalled a recent outcry against similar extra-judicial killings by men of the Police Special Anti-Robbery Squad (SARS) across the country which made the Police authorities promise to re-organize the SARS;

Observed that extra-judicial killings erode the confidence of Nigerians in the Nigeria Police Force, and this distrust has a direct adverse effect on the cooperation between the Police and the public to combat crime;

Convinced that it is time, as representatives of the people, to lend our voices to the campaign against extra-judicial killings in Nigeria by security operatives;

Resolved to:

(*i*) condemn the killing of the Late Ifeanyi Okafor;

(*ii*) also condemn all acts of extortion and harassment by men of the Nigeria Police Force; and

(*iii*) mandate the Committee on Police Affairs to investigate the incidence surrounding the killing and ensure that the family of the deceased gets justice (**HR. 159/05/2018**).

17. **Need to Investigate the Award of Contract for the Dredging of Warri Seaport and Escravos Channel by the Nigerian Ports Authority (NPA)**
Motion made and Question proposed:

The House:

Notes the strategic and economic importance of water transport and maritime trade to Nigeria's economy;

Aware that the Federal Executive Council (FEC) approved the sum of ₦10 Billion for the dredging of Warri Seaport and Escravos Channel;

Commend the Federal Government efforts to invest in the dredging of Warri Seaport and the Escravos Channels;

Convinced that if these projects are successfully implemented as planned, it will revive and reenergize economic activities of the Niger Delta Region and the entire South-South Geopolitical zone;

Disturbed that the Nigeria Ports Authority took advantage of the FEC approval to award a contract worth ₦10 Billion for the dredging of the Warri Seaport and Escravos Channel without any prior budgetary provision or appropriation;

Further disturbed that the contract was awarded to a company whose reputation and professional competence is smeared internationally, having suffered several criminal indictments and convictions in many countries;

Worried by attempts by some faceless persons to blackmail individuals and organization raising alarm over the alleged illegality in the award of the contract;

Resolves to:

Mandate the Committees on Ports, Harbours and Waterways, and Public Procurement to investigate the allegations and other infractions related to the award of the contract and report back within four weeks for further legislative action (*Hon. Ossai Nicholas Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Debate.

Agreed to.

The House:

Noted the strategic and economic importance of water transport and maritime trade to Nigeria's economy;

Aware that the Federal Executive Council (FEC) approved the sum of ₦10 Billion for the dredging of Warri Seaport and Escravos Channel;

Commend the Federal Government efforts to invest in the dredging of Warri Seaport and the Escravos Channels;

Convinced that if these projects are successfully implemented as planned, it will revive and reenergize economic activities of the Niger Delta Region and the entire South-South Geopolitical zone;

Disturbed that the Nigeria Ports Authority took advantage of the FEC approval to award a contract worth ₦10 Billion for the dredging of the Warri Seaport and Escravos Channel without any prior budgetary provision or appropriation;

Further disturbed that the contract was awarded to a company whose reputation and professional competence is smeared internationally, having suffered several criminal indictments and convictions in many countries;

Worried by attempts by some faceless persons to blackmail individuals and organization raising alarm over the alleged illegality in the award of the contract;

Resolved to:

Mandate the Committees on Ports, Harbours and Waterways, and Public Procurement to investigate the allegations and other infractions related to the award of the contract and report back within four weeks for further legislative action (**HR. 160/05/2018**).

18. **Need to Investigate the Alleged Financial and Administrative Infractions by the Registrar of the Council for the Regulation of Freight Forwarding in Nigeria (CRFFN)**
Motion made and Question proposed:

The House:

Notes that the sum of ₦3,942,709,857 billion was approved for both Capital and Recurrent Expenditures for CRFFN in the Appropriation Act 2017, a breakdown of this sum shows that the sum of ₦3,650,000,000 Billion was for Capital Expenditure, while the sum of ₦292,709,857 was for Recurrent Expenditure;

Also notes that in the same financial year, CRFFN generated the sum of ₦14,124,888.77 out of the projected Internally Generated Revenue of ₦5,042,348,663,00; which clearly shows poor performance by any standards;

Further notes that the sum of ₦2,725,000,000 Billion was released and disbursed to CRFFN as Capital Expenditures, out of which the sum of ₦2,414,636,805.66 Billion is alleged to have been expended;

Concerned that the sum of ₦2.5 Billion was paid to contractors prior to the execution of the projects in breach of extant financial laws and regulations;

Also concerned that 5% of the sum of ₦836,458,385.28 which was approved for the construction of 61 outpost offices was paid to the beneficiary companies as VAT instead of Federal Inland Revenue Service (FIRS), similarly 33 Contracts were awarded under the guise of construction/provision of buildings' at the sum of ₦418,113,198.56 Million without due process and to some cities that have no relevance to Port or boarder operations, and 5% of this sum was paid as VAT to the beneficiary companies;

Aware of the fact that apart from the aforementioned financial infractions, the Registrar/Chief Execution officer of the CRFFN was also alleged to be involved in several other financial scandals which include unilateral approval of an undisclosed sum for the purchase of two Toyota Land Cruisers and fifty Toyota Hilux vans but purchased only one Land cruiser and ten Hilux vans, and diverted the rest of the funds;

Also aware that the Registrar diverted the sum of ₦35 Million meant for the opening of Micro Finance Bank for Freight Forwarders, rented his own personal House as office of CRFFN in Abuja for an undisclosed sum;

Worried that the way and manner these sums were expended shows financial recklessness and manifestation of incompetence on the part of the Registrar/Chief Executive Officer of CRFFN;

Also worried that the Registrar has abandoned one of the core mandate of the Council which is training of the Freight Forwarders as no training has taken place since he became the Registrar;

Again aware that the Registrar/ Chief Executive Officer of the CRFFN clandestinely recruit over 100 staff without due process, and allegedly occupying his office which he ought to have retired on 17 December, 2017 having attained the mandatory retirement age of 60 years;

Further concerned that CRFFN which is affiliated to one of the global organizations in the Freight Forwarding Industry, International Federation of Freight Forwarders Association (FIATA) is on the verge of terminating its Membership due to non-payment of annual subscriptions for some years;

Disturbed that the Registrar/Chief Executive cashed on the absence Council Members to promote some unqualified staff as Directors and unilaterally sacked/suspended some and recruited additional twenty-one (21) other staff without due process;

Resolves to:

Mandate the Committee on Ports, Harbours and Waterways to investigate the alleged financial and administrative infractions committed by the Registrar/Chief Executive of the CRFFN and report back within three (3) weeks for further legislative action (*Hon. Prestige Ossy — Aba North/Aba South Federal Constituency*).

Debate.

Agreed to.

The House:

Noted that the sum of ₦3,942,709,857 billion was approved for both Capital and Recurrent Expenditures for CRFFN in the Appropriation Act, 2017, a breakdown of this sum shows that the sum of ₦3,650,000,000 Billion was for Capital Expenditure, while the sum of ₦292,709,857 was for Recurrent Expenditure;

Also noted that in the same financial year, CRFFN generated the sum of ₦14,124,888.77 out of the projected Internally Generated Revenue of ₦5,042,348,663,00; which clearly shows poor performance by any standards;

Further noted that the sum of ₦2,725,000,000 Billion was released and disbursed to CRFFN as Capital Expenditures, out of which the sum of ₦2,414,636,805.66 Billion is alleged to have been expended;

Concerned that the sum of ₦2.5 Billion was paid to contractors prior to the execution of the projects in breach of extant financial laws and regulations;

Also concerned that 5% of the sum of ₦836,458,385.28 which was approved for the construction of 61 outpost offices was paid to the beneficiary companies as VAT instead of Federal Inland Revenue Service (FIRS), similarly 33 Contracts were awarded under the guise of construction/provision of buildings' at the sum of ₦418,113,198.56 Million without due process and to some cities that have no relevance to Port or boarder operations, and 5% of this sum was paid as VAT to the beneficiary companies;

Aware of the fact that apart from the aforementioned financial infractions, the Registrar/Chief Execution officer of the CRFFN was also alleged to be involved in several other financial scandals which include unilateral approval of an undisclosed sum for the purchase of two Toyota Land Cruisers and fifty Toyota Hilux vans but purchased only one Land cruiser and ten Hilux vans, and diverted the rest of the funds;

Also aware that the Registrar diverted the sum of ₦35 Million meant for the opening of Micro Finance Bank for Freight Forwarders, rented his own personal House as office of CRFFN in Abuja for an undisclosed sum;

Worried that the way and manner these sums were expended shows financial recklessness and manifestation of incompetence on the part of the Registrar/Chief Executive Officer of CRFFN;

Also worried that the Registrar has abandoned one of the core mandate of the Council which is training of the Freight Forwarders as no training has taken place since he became the Registrar;

Again aware that the Registrar/ Chief Executive Officer of the CRFFN clandestinely recruit over 100 staff without due process, and allegedly occupying his office which he ought to have retired on 17 December, 2017 having attained the mandatory retirement age of 60 years;

Further concerned that CRFFN which is affiliated to one of the global organizations in the Freight Forwarding Industry, International Federation of Freight Forwarders Association (FIATA) is on the verge of terminating its Membership due to non-payment of annual subscriptions for some years;

Disturbed that the Registrar/Chief Executive cashed on the absence Council Members to promote some unqualified staff as Directors and unilaterally sacked/suspended some and recruited additional twenty-one (21) other staff without due process;

Resolved to:

Mandate the Committee on Ports, Harbours and Waterways to investigate the alleged financial and administrative infractions committed by the Registrar/Chief Executive of the CRFFN and report back within three (3) weeks for further legislative action **(HR. 161/05/2018)**.

18. **Need to Investigate Alleged Fictitious Contract Awards and Gross Mismanagement of Billions of Naira by the Nigerian Maritime Administration and Safety Agency (NIMASA)**
Motion made and Question proposed:

The House:

Notes with concern the current Administration's anti-corruption posturing and recent developments in the Nigerian Maritime Administration and Safety Agency (NIMASA) as it relates to the award of questionable contracts, fraudulent forex transactions and other unwholesome and corrupt practices;

Also notes that there have been several allegations of questionable, inflated and fictitious contracts awarded by the Nigerian Maritime Administration and Safety Agency (NIMASA), particularly for non- operational speed boats, security surveillance known as 'Deep Blue Water Contract', revenue leakages and the award of contracts to cronies of the Director-General and other top management staff of the Agency, and suspicious forex transactions:

Aware of the under remittances of debts owed the country by Shipping firms, with the consent and connivance of the Agency;

Also aware that the Agency is alleged to have entered into a very dubious contract with a firm called 'XPO Marine Limited' for the lease of six (6) speed boats, each at the rate of $173,930.00 monthly, without a "Need Assessment" for such facility being carried out by the relevant departments of the Agency. The said XPO Marine Limited had earlier been indicted for defrauding the Agency to the tune of $80,000 in revenue;

Further aware that the security surveillance contract called 'Deep Blue Water Contract' is suspected to be a conduit by the management of the Agency to pilfer funds;

Further notes a security contract tagged 'National Integrated Surveillance and Waterways Protection' was awarded to an Israeli firm, HSLI Systems and Technologies Limited at the cost of $195,300,000.00, despite an existing facility, which is a simple internet subscription via Lloyds Intelligence Platform for such operations;

Cognizant that the Agency has an existing surveillance system (called Lloyd's List Intelligence) for tracking the movement of vessels on Nigeria's Exclusive Economic Zone (EEZ);

Conscious of the fact that there is evidence that the Agency's Legal department counseled against the consummation of the contract on grounds of some fraudulent claims in the agreement, but same was not heeded to;

Alarmed that the facilities claimed by HSLI is said to be an existing surveillance infrastructure provided by KMBTS Limited, also an Israeli firm whose contract with the agency at the instance of the Agency's former DG had long expired;

Again aware that there are other allegations of abuse of office, corruption and other unwholesome practices within the Agency, such as withholding of remittable revenue by Gac Shipping Nigeria Limited, Daddo Marine Limited, Blue Seas Marine Services, Transocean Support Services Limited, leading to loss of revenue to the Federal government;

Still aware of the allegations of award of contracts to the DG's cronies and other top management staff of the Agency in clear violation of the Procurement Act and other Financial Regulations, such Companies include COT Engineering Limited, WellMann Construction Company Limited, Retin Technical and Commercial Service Limited, Messrs. De-PK Ventures Limited, among others;

Disturbed of the alleged cases of round-tripping and under declaration of foreign exchange earnings from the Agency's Foreign Account;

Resolves to:

Mandate the Committee on Maritime Safety, Education and Administration to investigate the matter and report back within six (6) weeks for further legislative action (*Hon. Rimamnde Shawulu kwewum — Dunga/Ussa/Takum Federal Constituency and 3 other*).

Debate.

Agreed to.

The House:

Noted with concern the current Administration's anti-corruption posturing and recent developments in the Nigerian Maritime Administration and Safety Agency (NIMASA) as it relates to the award of questionable contracts, fraudulent forex transactions and other unwholesome and corrupt practices;

Also noted that there have been several allegations of questionable, inflated and fictitious contracts awarded by the Nigerian Maritime Administration and Safety Agency (NIMASA), particularly for non- operational speed boats, security surveillance known as 'Deep Blue Water Contract', revenue leakages and the award of contracts to cronies of the Director-General and other top management staff of the Agency, and suspicious forex transactions;

Aware of the under remittances of debts owed the country by Shipping firms, with the consent and connivance of the Agency;

Also aware that the Agency is alleged to have entered into a very dubious contract with a firm called 'XPO Marine Limited' for the lease of six (6) speed boats, each at the rate of $173,930.00 monthly, without a "Need Assessment" for such facility being carried out by the relevant departments of the Agency. The said XPO Marine Limited had earlier been indicted for defrauding the Agency to the tune of $80,000 in revenue;

Further aware that the security surveillance contract called 'Deep Blue Water Contract' is suspected to be a conduit by the management of the Agency to pilfer funds;

Further noted a security contract tagged 'National Integrated Surveillance and Waterways Protection' was awarded to an Israeli firm, HSLI Systems and Technologies Limited at the cost of $195,300,000.00, despite an existing facility, which is a simple internet subscription via Lloyds Intelligence Platform for such operations;

Cognizant that the Agency has an existing surveillance system (called Lloyd's List Intelligence) for tracking the movement of vessels on Nigeria's Exclusive Economic Zone (EEZ);

Conscious of the fact that there is evidence that the Agency's Legal department counseled against the consummation of the contract on grounds of some fraudulent claims in the agreement, but same was not heeded to;

Alarmed that the facilities claimed by HSLI is said to be an existing surveillance infrastructure provided by KMBTS Limited, also an Israeli firm whose contract with the agency at the instance of the Agency's former DG had long expired;

Again aware that there are other allegations of abuse of office, corruption and other unwholesome practices within the Agency, such as withholding of remittable revenue by Gac Shipping Nigeria Limited, Daddo Marine Limited, Blue Seas Marine Services, Transocean Support Services Limited, leading to loss of revenue to the Federal government;

Still aware of the allegations of award of contracts to the DG's cronies and other top management staff of the Agency in clear violation of the Procurement Act and other Financial Regulations, such Companies include COT Engineering Limited, WellMann Construction Company Limited, Retin Technical and Commercial Service Limited, Messrs. De-PK Ventures Limited, among others;

Disturbed of the alleged cases of round-tripping and under declaration of foreign exchange earnings from the Agency's Foreign Account;

Resolved to:

Mandate the Committee on Maritime Safety, Education and Administration to investigate the matter and report back within six (6) weeks for further legislative action (**HR. 162/05/2018**).

20. Contradictory Figures from the Central Bank of Nigeria and Other International Organizations about Nigeria's Financial Status

Motion made and Question proposed:

The House:

Observes that there has been consistent disparity about the state of Nigeria's economy between the Central Bank of Nigeria, local and international financial organizations including the International Monetary Fund;

Also observes that CBN and other financial organizations have been churning out contradictory figures about the financial status of Nigeria, which is not only disturbing but confusing;

Notes that as part of its measures to regulate the financial standing of the Nigeria, the CBN came up with the open market operations, its institution said is geared towards controlling liquidity;

Also notes that according to reports from the Central Bank of Nigeria, it has mopped up, through Treasury Bills Insurance, about N5.683trn as excess liquidity between January 2 and April 12, 2008;

Concerned that the CBN allegedly spent ₦372.9bn as cost of managing the excess liquidity in circulation between January 2 and April 12, 2008, at a time when many financial experts warned about the dire consequences of the policy on the economy;

Worried that the CBN went ahead with this policy at a time when it claimed that Commercial Banks were having liquidity challenges, thus raising many questions about the genuineness and rationale for the policy;

Also worried that the CBN which claimed that there was excess liquidity in the economy allegedly gave Commercial Banks the opportunity to access the institution's window to survive;

Disturbed that the alleged CBN's approach of claiming to mop up excess liquidity and at the same time borrowing Commercial Banks monies to stay afloat may have collateral damage on the nation's economy;

Alarmed that with this policy, the CBN may be unwittingly collaborating with Commercial Banks to deplete the country's finances, helping Commercial Banks to make free money without little or no investment, making the real sector have difficulties accessing loans from Commercial Banks, scare away credible investors, contributing to the "slow-and-cold" activities in the stock market as well as limiting the growth of the nation's economy;

Resolves to:

Mandate the Committees on Banking and Currency, Capital Market and Institutions, and Financial Crimes to carry out a comprehensive Investigation on the matter and report back within four (4) weeks for further legislative action (*Hon. Yusuf Tajudeen — Ijumu/Kabba-Bunu Federal Constituency*).

Debate.

Agreed to.

The House:

Observed that there has been consistent disparity about the state of Nigeria's economy between the Central Bank of Nigeria, local and international financial organizations including the International Monetary Fund;

Also observed that CBN and other financial organizations have been churning out contradictory figures about the financial status of Nigeria, which is not only disturbing but confusing;

Noted that as part of its measures to regulate the financial standing of the Nigeria, the CBN came up with the open market operations, its institution said is geared towards controlling liquidity;

Also noted that according to reports from the Central Bank of Nigeria, it has mopped up, through Treasury Bills Insurance, about N5.683trn as excess liquidity between January 2 and April 12, 2008;

Concerned that the CBN allegedly spent ₦372.9bn as cost of managing the excess liquidity in circulation between January 2 and April 12, 2008, at a time when many financial experts warned about the dire consequences of the policy on the economy;

Worried that the CBN went ahead with this policy at a time when it claimed that Commercial Banks were having liquidity challenges, thus raising many questions about the genuineness and rationale for the policy;

Also worried that the CBN which claimed that there was excess liquidity in the economy allegedly gave Commercial Banks the opportunity to access the institution's window to survive;

Disturbed that the alleged CBN's approach of claiming to mop up excess liquidity and at the same time borrowing Commercial Banks monies to stay afloat may have collateral damage on the nation's economy;

Alarmed that with this policy, the CBN may be unwittingly collaborating with Commercial Banks to deplete the country's finances, helping Commercial Banks to make free money without little or no investment, making the real sector have difficulties accessing loans from Commercial Banks, scare away credible investors, contributing to the "slow-and-cold" activities in the stock market as well as limiting the growth of the nation's economy;

Resolved to:

Mandate the Committees on Banking and Currency, Capital Market and Institutions, and Financial Crimes to carry out a comprehensive Investigation on the matter and report back within four (4) weeks for further legislative action (**HR. 163/05/2018**).

21. **Need to Lift the Ban Imposed on Importation of Vehicles through Land Borders in Nigeria**
Motion made and Question proposed:

The House:

Aware that since 5 December, 2016, the Federal Government, through the Nigeria Custom Service (NCS), banned the importation of vehicles through the land borders with effect from January 1, 2017, without adducing any reason, while importers were given a deadline of 31 December, 2016 to clear their vehicles imported through land in neighbouring ports;

Recalls that in January 2017, the Senate adopted a resolution rejecting the Federal Government's ban on the importation of vehicles through the land borders, and called on the Nigeria Customs Service to immediately suspend further action on the policy and directed its Committee on Customs and Excise to probe the circumstances that led to the decision;

Also aware that the Senate again resolved that it was pertinent to stop the action of government because the ban was not only an anti-people but also capable of further impoverishing Nigerians as close to 500,000 jobs had been lost by persons engaged in the business of vehicle importation and associated services in the border areas and around the country;

Also recalls that the House of Representatives also urged the Federal Government to suspend the ban and mandated its Committees on Governmental Affairs and Customs and Excise to look into the matter and report to the House;

Disturbed that notwithstanding popular opposition to the policy, the Comptroller-General of Customs, Col. Hammed Ali (*rtd*), directed operatives of the Headquarters Compliance Team and the Federal Operations Units of the Service to ensure strict implementation of the policy on non-importation of vehicles through the land borders;

Worried that the ban has inadvertently aided inter-border smuggling, promoted corrupt practices, aided other cross-border crimes, impoverishing the generality of Nigerians, and undermining economic development of the country;

Regrets that notwithstanding the resolutions of the two Chambers of the National Assembly, government has refused to give the needed directives for a reversal of the policy for improved economic activities in country

Resolves to:

(*i*) urge to the Federal Government to suspend the ban on the importation of vehicles through the land borders as it not only impoverishes Nigerians but also has an adverse effect on the economy; and

(*ii*) mandate the Committees on Governmental Affairs, and Customs and Excise to liaise with the Comptroller-General of the Customs Service and other relevant stakeholders to, review the workability of the ban, work towards suspending of the ban, and come up with better ways to deal with the issues that led to the imposition of the ban (*Hon. Mojeed Alabi — Ede North/Ede South/Egbedore/Ejigbo Federal Constituency*).

Debate.

Amendment Proposed:
Leave out Prayer (*ii*) (*Hon. Reyenieju-Daniel Oritsegbubemi — Warri South/Warri West Federal Constituency*).

Question that the amendment be made — Agreed to.

Question on the Motion as amended — Agreed to.

The House:

Aware that since 5 December, 2016, the Federal Government, through the Nigeria Custom Service (NCS), banned the importation of vehicles through the land borders with effect from January 1, 2017, without adducing any reason, while importers were given a deadline of 31 December, 2016 to clear their vehicles imported through land in neighbouring ports;

Recalled that in January 2017, the Senate adopted a resolution rejecting the Federal Government's ban on the importation of vehicles through the land borders, and called on the Nigeria Customs Service to immediately suspend further action on the policy and directed its Committee on Customs and Excise to probe the circumstances that led to the decision;

Also aware that the Senate again resolved that it was pertinent to stop the action of government because the ban was not only an anti-people but also capable of further impoverishing Nigerians as close to 500,000 jobs had been lost by persons engaged in the business of vehicle importation and associated services in the border areas and around the country;

Also recalled that the House of Representatives also urged the Federal Government to suspend the ban and mandated its Committees on Governmental Affairs and Customs and Excise to look into the matter and report to the House;

Disturbed that notwithstanding popular opposition to the policy, the Comptroller-General of Customs, Col. Hammed Ali (*rtd*), directed operatives of the Headquarters Compliance Team and the Federal Operations Units of the Service to ensure strict implementation of the policy on non-importation of vehicles through the land borders;

Worried that the ban has inadvertently aided inter-border smuggling, promoted corrupt practices, aided other cross-border crimes, impoverishing the generality of Nigerians, and undermining economic development of the country;

Regretted that notwithstanding the resolutions of the two Chambers of the National Assembly, government has refused to give the needed directives for a reversal of the policy for improved economic activities in country

Resolved to:

Urge to the Federal Government to suspend the ban on the importation of vehicles through the land borders as it not only impoverishes Nigerians but also has an adverse effect on the economy (**HR. 164/05/2018**).

22. **Call on the Bureau of Public Procurement (BPP) to Commence Documentation of New Employees Posted by the Federal Civil Service Commission**

Order read; deferred by leave of the House.

23. **Consideration of Reports**

(*i*) ***Conference Committee Report on a Bill for an Act to Establish the Nigeria Maritime University, Okerenkoko, Delta State; and for Related Matters*, 2018 (*Committee of the Whole*):**

Motion made and Question proposed, "That the House do consider the Report of the Conference Committee on a Bill for an Act to Establish the Nigeria Maritime University, Okerenkoko, Delta State; and for Related Matters, 2018 and approve the recommendations therein"(*Hon. Ossai Nicholas Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Agreed to.

Question that the House do resolve into the Committee of the Whole to consider the Report — Agreed to.

(HOUSE IN COMMITTEE)

(*Mr Deputy Speaker in the Chair*)

A BILL FOR AN ACT TO ESTABLISH THE NIGERIA MARITIME UNIVERSITY, OKERENKOKO, DELTA STATE AND FOR RELATED MATTERS (HB. 1032)

PART I — ESTABLISHMENT, CONSTITUTION AND FUNCTIONS OF NIGERIA MARITIME UNIVERSITY, OKERENKOKO

Clause 1: **Establishment, Constitution and Functions of Nigeria Maritime University, Okerenkoko.**

(1) There is hereby established the Nigeria Maritime University, Okerenkoko.

(2) The University shall be a body corporate with perpetual succession and a common seal and may sue or be sued in its corporate name.

(3) (*a*) The University shall be supervised by the Federal Ministry of Education.

(*b*) The Federal Ministry of Education through the National Universities Commission (NUC) shall be responsible for approving and regulating all academic programmes run in the University, to ensure quality compliance for academic and research programmes;

(4) The objectives of the University shall be —

(*a*) to encourage the advancement of learning and to hold out to all persons without distinction of race, creed, sex or political conviction, the opportunity of acquiring higher education in maritime technology;

(*b*) to develop and offer academic and professional programmes leading to the award of diplomas, first degrees, post-graduate research and higher degrees with emphasis on planning, adaptive, technical, maintenance, developmental and productive skills in the engineering, scientific, and allied professional disciplines relating to Maritime resources with the aim of producing socially mature men and women with capability not only to understand, use and adapt existing technologies in the maritime industry, but also to improve on them and develop new ones;

(*c*) to act as agents and catalysts, through post-graduate training, research and innovation for the effective and economic utilization, exploitation and conservation of the country's maritime resources;

(*d*) to offer to the general population particularly the maritime industry, as a form of public service, the results of training and research and to foster the practical applications of these results;

(*e*) to establish appropriate relationships with other national institutions involved in training, research and development of technologies in the maritime sector;

(*f*) to identify the technological problems and needs of the maritime industry and to find solutions to them within the context of overall national development;

(*g*) to provide and promote sound basic scientific training as a foundation for the development of maritime technology and applied sciences, taking into account indigenous cultures and the need to enhance national unity; and

(*h*) to undertake any other activities appropriate for a maritime university of the highest standard (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 1 stands part of the Bill — Agreed to.

Clause 2: Constitution and Principal Officers of the University.

(1) The University shall consist of —

(*a*) a Chancellor;

(*b*) a Pro-Chancellor and a Council;

(*c*) a Vice-Chancellor and a Senate;

(*d*) a body to be called Congregation;

(*e*) a body to be called Convocation;

(*f*) the campuses and colleges of the University;

(*g*) the colleges, institutes and other teaching and research units of the University;

(*h*) the persons holding the offices constituted by the First Schedule to this bill other than those mentioned in paragraphs (*a*) to (*c*) of this subsection;

(*i*) all graduates and undergraduates of the University; and all other persons who are members of the university in accordance with provisions made by statute in that behalf.

(2) The First Schedule to this Bill shall have effect with respect to the principal officers of the University.

(3) Subject to section 5 of this Bill provision shall be made by statute with respect to the constitution of the Council, the Senate, Congregation and Convocation (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 2 stands part of the Bill — Agreed to.

Clause 3: Powers of the University and its exercise.

(1) For the carrying out of its objects as specified in section 1 of this Bill, the University shall have power:

(*a*) to establish such campuses, institutes, schools, extra-mural departments and other teaching and research units within the University as may from time to time be deemed necessary or desirable subject to the approval of the National Universities Commission;

(*b*) to institute professorships, readerships or associate professorships, lectureships, and other posts and offices and to make appointments thereto;

(*c*) to institute and award fellowships, scholarships, exhibitions, bursaries, medals, prizes and other titles, distinctions, awards and forms of assistance;

(*d*) to provide for the discipline and welfare of members of the University;

(*e*) to hold examinations and grant degrees, diplomas, certificates and other distinctions to persons who have pursued a course of study approved by the University and have satisfied such other requirements as the University may lay down;

(*f*) to grant honorary degrees, fellowships or academic titles;

(*g*) to demand and receive from any student or any other person attending the University for the purpose of instruction, such fees as the University may from time to time determine subject to the overall directives of the Council;

(*h*) subject to section 19 of this Bill, to acquire, hold, grant, charge or otherwise deal with or dispose of movable and immovable property wherever situate;

(*i*) to accept gifts, legacies and donations, but without obligation to accept the same for a particular purpose unless it approves the terms and conditions attaching thereto;

(*j*) to enter into contracts, establish trusts, act as trustee, solely or jointly with any other person, and employ and act through agents;

(*k*) to erect, provide, equip and maintain libraries, laboratories, lecture halls, halls of residence, refectories, sports grounds, playing fields and other buildings or things necessary, suitable or convenient for any of the objects of the University;

(*l*) to hold public lectures and to undertake printing, publishing and book selling;

(*m*) to engage students in distance learning programs while they are at sea or in areas of maritime business;

(n) subject to any limitations or conditions imposed by statute, to invest any moneys appertaining to the University by way of endowment it, not being immediately required for current expenditure, not being immediately required for current expenditure, in any investments or securities or in the purchase or improvement of land, with power from time to time, to vary any such investments to deposit any moneys for the time being not invested with any bank on deposit or current account;

(o) to borrow, whether on interest or not and if need be upon the security of any or all of the property, movable or immovable, of the University, such moneys as the Council may from time to time in its discretion find it necessary or expedient to borrow or to guarantee any loan, advances or credit facilities;

(p) to engage income generating ventures as appropriate;

(q) to collaborate, co-operate, partner or associate with any other University, authority, Government, organization or institution of higher learning both in Nigeria and abroad;

(r) to invest outside of Nigeria which includes building replica institutions;

(s) the University may grant scholarships to both local and foreign students as may be deemed necessary;

(t) to adopt foreign maritime administration requirements for the purpose of raising standards of training above the minimum IMO requirements;

(u) to make gifts for any charitable purpose;

(v) to do anything which it is authorized or required by this Bill or by statute to do; and

(w) to do all such acts or things, whether or not incidental to the foregoing powers, as may advance the objects of the University.

(2) Subject to the provisions of this Bill and of the statutes and without prejudice to section 7 (2) of this Bill, the powers conferred on the University by subsection (1) of this section shall be exercisable on behalf of the University by the Council or by the Senate or in any other manner as may be authorized by the statute.

(3) The power of the University to establish further campuses and colleges within the University shall be exercisable by statute and not otherwise (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 3 stands part of the Bill — Agreed to.

Clause 4: Sources of Funding for the University in addition to other sources of funding.

(i) 1% of the total annual budget of Federal Ministry of Petroleum Resources;

(*ii*) 0.5% of the total annual profit of Nigeria Liquefied Natural Gas Company:

(*iii*) to be treated based on how NCMB gets its money:

(*iv*) the Tertiary Education Trust Fund (TETFUND);

(*v*) 5% and not 10% to be taken from Cabotage Vessel Finance Fund:

(*vi*) 5% from the Maritime Fund and 5% from NIMASA Fund without recourse to any other Act;

(*vii*) Petroleum Technology Development Fund (PTDF) should extend its statutory duties to the Nigeria Maritime University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 4 stands part of the Bill — ***Agreed to.***

Clause 5: **Functions of the Chancellor and the Pro-Chancellor.**

(1) The Chancellor shall, in relation to the University, take precedence Chancellor and the Pro- before all other members of the University, and when he is present, shall Chancellor preside at all meetings of Convocation held for conferring degrees.

(2) The Pro-Chancellor Shall, in relation to the University, take precedence before all other members of the University, except the Chancellor and except the Vice-Chancellor when acting as chairman of Congregation or Convocation and the Pro-Chancellor shall, when he is present, be the chairman at all meetings of the Council (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 5 stands part of the Bill — ***Agreed to.***

Clause 6: **Composition of the Council.**

The Council of the University shall consist of —

(*a*) the Pro-Chancellor;

(*b*) the Vice-Chancellor;

(*c*) two Deputy Vice-Chancellors;

(*d*) one person from the Ministry responsible for education;

(*e*) four persons representing a variety of interests with requisite knowledge and experience in maritime sector, and broadly, representatives of the whole Federation to be appointed by the President;

(*f*) four persons appointed by the Senate from among its members;

(*g*) two persons appointed by Congregation from among its members;

(*h*) one person appointed by convocation from among its members.

(*i*) Minister responsible for transportation or his representative;

(*j*) Director-General of NIMASA or his representative.

(2) The Council so constituted shall have a tenure of four years from the date of its inauguration provided that where a Council is found to be incompetent and corrupt, it shall be dissolved by the Visitor and a new Council shall be constituted for the effective functioning of the University.

(3) The powers of the Council shall be exercised, as in this Bill and to that extent establishment circulars that are inconsistent with this Bill shall not apply to the University.

(4) The Council shall be free in the discharge of its functions and exercise of its responsibilities for the good management, growth and development of the University.

(5) The Council in the discharge of its functions shall ensure that disbursement of funds of the University complies with the approved budgetary ratio for:

(*a*) personnel cost;

(*b*) overhead cost;

(*c*) research and development;

(*d*) library developments, and;

(*e*) the balance in expenditure between academic vis-à-vis non-academic activities (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 6 stands part of the Bill — Agreed to.

Clause 7: **Functions of the Council and its Finance and General Purpose Committee.**

(1) Subject to the provisions of this Bill relating to the Visitor, the Council shall be the governing body of the University and shall be charged with the general control and superintendence of the policy, finances and property of the University.

(2) There shall be a committee of the Council, to be known as the Finance and General Purposes Committee, which shall, subject to the directions of the Council, exercise control over the property and expenditure of the University and perform such other functions of the Council as the Council may from time to time delegate to it.

(3) Provision shall be made by statute with respect to the constitution of the Finance and General Purposes Committee.

(4) The Council shall ensure that proper accounts of the University are kept and that the accounts of the University are audited annually by an independent firm of auditors approved by the Council and that an annual report is published by the University together with certified copies of the said accounts as audited.

(5) Subject to this Bill and the statutes, the Council and the Finance and General Purposes Committee may each make rules for the purpose of exercising any of their respective functions or of regulating their own procedure.

(6) Rules made under subsection (5) of this section by the Finance and General Purposes Committee shall not come into force unless approved by the Council; and in so far and to the extent that any rules so made by that Committee conflict with any direction given by the Council whether before or after the coming into force of the rules in question, the directions of the Council shall prevail.

(7) There shall be paid to the members respectively of the Council, the Finance and General Purposes Committee and of any other committee set up by the Council, allowances in respect of travelling and other reasonable expenses at such rates as may from time to time be fixed by the Council.

(8) The Council shall meet for the performance of its functions under this Bill and shall meet at least three times a year.

(9) If requested in writing by any five members of the Council, the chairman shall within 28 days after the receipt of such request call a meeting of the Council.

(10) Any request made under subsection (9) of this section shall specify the business to be considered at the meeting and no business not so specified shall be transacted at that meeting (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

*Question that Clause 7 stands part of the Bill — **Agreed to.***

Clause 8: Functions of the Senate.

(1) Subject to section 6 of this Bill and subsections (3) aid (4) of this section and the provisions of this Bill relating to the Visitor, it shall be the general function of the Senate to organise and control the teaching by the University, the admission of student where no other enactment provides to the contrary and the discipline of students; and to promote research at the University.

(2) Without prejudice to the generality of subsection (1) of this section and subject as there mentioned, it shall in particular be the function of the Senate to make provision for —

(*a*) the establishment, organization and control of campuses, colleges, schools, institutes and other teaching and research units of the University and the allocation of responsibility for different branches of learning;

(*b*) the organization and control of courses of study at the University and of the examinations held in conjunction with those courses, including the appointment of examiners, both internal and external;

(*c*) the award of degrees, and such other qualifications as may be prescribed in connection with examinations held as aforesaid;

(*d*) the making of recommendations to the Council with respect to the award to any person of an honorary fellowship or honorary degree or the title of professor emeritus;

(*e*) the establishment, organization and control of halls or residence and similar institutions at the University;

(*f*) the supervision of the welfare of students at the university and the regulation of their conduct;

(*g*) the granting of fellowships, scholarships, prizes and similar awards in so far as the awards are within the control of the University; and

(*h*) determining what descriptions of dress shall be academic dress for the purposes of the University, and regulating the use of academic dress,

(3) The Senate shall not establish any new campus, college, school, department, institute or other teaching and research units of the university, or any hall of residence or similar institution at the University without the approval of the Council.

(4) Subject to this Bill and the statutes, the Senate may make regulations for the purpose of exercising any function conferred on it either by the foregoing provisions of this section of otherwise or for the purpose of making provision for any matter for which provision by regulations is authorized or required by this Bill or by statute.

(5) Regulations shall provide that at least one of the persons appointed as the examiners at each final or professional examination held in conjunction with any course of study at the University is not a teacher at the university but is a teacher of the branch of learning to which the course relates at some other university of high repute or a person engaged in practicing the profession in a reputable organization or institution.

(6) Subject to a right of appeal to the Council from a decision of the Senate under this sub-section, the Senate may deprive any person of any degree, diploma or other award of the University which has been conferred upon him if after due enquiry he is shown to have been guilty of dishonourable or scandalous conduct in gaining admission into the University or obtaining that award (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 8 *stands part of the Bill — Agreed to.*

Clause 9: **Functions of the Vice Chancellor.**

(1) The Vice-Chancellor shall, in relation to the University, take precedence before all other members of the University except the Chancellor and subject to section 4 of this Bill except the Pro-Chancellor and any other person for the time being acting as chairman of the Council.

(2) Subject to sections 6, 7 and 14 of this Bill, the Vice-Chancellor shall have the general function, in addition to any other functions conferred on him by this Bill or otherwise of directing the activities of the University and shall be the chief executive and accounting officer of the University and ex-officio chairman of the Senate.

(3) The Vice Chancellor shall be the Chairman of the University Tenders' Board, which is saddled with the responsibility of approving the conduct of public procurement of goods, works and services within the approved threshold from time to time.

(4) It shall be the responsibility of the Vice-Chancellor to establish and appoint members of the Tenders' Board in line with the extant Public Procurement Rules and Regulations (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 9 *stands part of the Bill* — ***Agreed to.***

PART II — TRANSFER OF PROPERTY, ETC, TO THE UNIVERSITY

Clause 10: **Transfer of Property.**

(1) All property held by or on behalf of the provisional council of the University shall by virtue of this sub-section and without further assurance, vest in the University and be held by it for the purpose of the University,

Second Schedule.

(2) The provisions of the Second Schedule to this Bill shall have effect with respect to, and to matters arising from, the transfer of property by this section and with respect to the other matters mentioned in that Schedule.

Conditions of Service of the Employees.

(3) The Condition of Service of Employees in the University shall be in line with what is obtainable in the maritime industry to enable the University attract best brains for training and research (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 10 *stands part of the Bill* — ***Agreed to.***

PART III — STATUTES OF THE UNIVERSITY

Clause 11: **Power of the University to make Statutes.**

(1) Subject to his Bill, the University may make statutes for any of the following purposes, that to say:

(*a*) making provision with respect to the composition and constitution of any authority of the University;

(*b*) specifying and regulating the powers and duties of any authority of the University, and regulating any other matter connected with the University or any of its authorities:

(*c*) regulating the admission of students (where no other enactment provides to the contrary), and their discipline and welfare;

(*d*) determining whether any particular matter is to be treated as an academic or non-academic matter for the purposes of this Bill and of any statute, regulation or other instrument made there under;

(*e*) making provision for any other matter for which provision by statute is authorized or required by this Bill.

(2) Subject to section 2 (6) of this Bill, the Interpretation Act shall apply in relation to any statute made under this section as it applies to a subsidiary instrument within the meaning of section 29:(1) of that Act.

Third Schedule.

(3) The Statute contained in the Third Schedule to this Bill shall be deemed to have come into force on the commencement of this Bill and shall be deemed to have been made under this section by the University.

(4) The power to make statutes conferred by this section shall not be prejudiced or limited in any way by reason of the inclusion or omission of any matter in or from the statue contained in the Third Schedule to this Bill or any subsequent statute (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 11 *stands part of the Bill — Agreed to.*

Clause 12: Mode of exercising powers to make statutes.

(1) The power of the University to make statutes shall be exercised in accordance with the provisions of this section and not otherwise.

(2) A proposed statute shall not become law unless it has been approved —

(*a*) at a meeting of the Senate, by the votes of not less than two thirds of the members present and voting; and

(*b*) at a meeting of the Council, by the votes of not less than two thirds of the members present and voting.

(3) A proposed statute may originate either in the Senate or in the Council, and may be approved as required by subsection (2) of this section by either of the body.

(4) A statute which —

(*a*) makes provision for or alters the composition or constitution of the Council, the Senate or any other authority of the University; or

(*b*) provides for the establishment of a new campus or college or for the amendment or revocation of any statute whereby a campus or college is established, shall not come into operation unless it has been approved by the President.

(5) For the purpose of section 2 (2) of the Interpretation act, a statute shall be treated as being made on the date on which it is duly approved by the Council after having been duly approved by the Senate, or on the date on which it is duly approved by the Senate after having been duly approved by the Council, as the case may be or, in the case of a statute falling within subsection (4)'of this section, on the date on which it is approved by the President.

(6) In the event of any doubt or dispute arising at any time —

(*a*) as to the meaning of any provision of a statute; or (*b*) as to whether any matter is for the purposes of this Bill an academic or non- academic matter as they relate to such doubt or dispute, the matter may be referred to the Visitor, who shall take such advice and make such decision thereon as he deem fit.

(7) The decision of the Visitor on any matter referred to him under subsection (6) of this section shall be binding upon the authorities, staff and students of the University and where any question as to the meaning of any provision of a statute has been decided by the Visitor under that sub-section, no question as to the meaning of that provision shall be entertained except court of competent Jurisdiction in Nigeria.

(8) Nothing in subsection (7) of this section shall affect any power of a court of competent jurisdiction to determine whether any provision of a statute is wholly or partly void as being ultra vires or as being inconsistent with the provision of Constitution of the Federal Republic of Nigeria, 1999 as amended (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 12 *stands part of the Bill* — ***Agreed to.***

Clause 13: **Proof of Statutes.**

A statute may be proved in any court by the production of a copy thereof bearing or having affixed to it a certificate purporting to be signed by the Vice-chancellor or the secretary to the Council to the effect that the copy is a true copy of a statute of the University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 13 *stands part of the Bill* — ***Agreed to.***

PART IV — SUPERVISION AND DISCIPLINE

Clause 14: **The Visitor.**

(1) The President shall be the Visitor of the University.

(2) The Visitor shall as alien as the circumstances may require, not being less than once every five years, conduct a visitation of the University or direct (that such a visitation be conducted by such person or persons as the Visitor may deem fit and in respect of any of the affairs of the University.

(3) It shall be the duty of the bodies and persons comprising the University to make available to the Visitor and to any other person conducting a visitation in pursuance of this section, such facilities and assistance as he or they may reasonably require for the purposes of a visitation.

(4) The Visitor shall make the report of such visitations and white paper thereon available to the Council which shall implement same (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 14 *stands part of the Bill* — ***Agreed to.***

Clause 15: **Removal of certain members of Council.**

(1) If it appears to the Council that a member of the Council (other than the Pro-Chancellor or the Vice-chancellor) should be removed from office on the ground of misconduct or inability to perform the functions of his office

or employment, the Council shall make a recommendation to that effect through the Minister to the President, and the President, after making such enquiries (if any) as he may consider appropriate approves the recommendation, he may direct the removal of the person in question from office.

(2) It shall be the duty of the Minister to use his best endeavours to cause a copy of the instrument embodying a direction under subsection (I) of this section to be served as soon as reasonably practicable on the person to whom it relates (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 15 *stands part of the Bill* — ***Agreed to.***

Clause 16: Removal and discipline of academic, administrative and professional staff.

(1) If it appears to the Council that there are reasons for believing that any person employed as a member of the academic, administrative or professional staff of the University, other than the Vice-chancellor, should be removed from his office or employment on the ground of misconduct or of inability to perform the functions of his office or employment, the Council shall —

(*a*) give notice of those reasons to the person in question;

(*b*) afford him an opportunity of making representations in person on the matter by the Council; and

(*c*) for the person in question to be afforded an opportunity of appearing before and being heard by the investigating committee with respect to the matter, and if the Council, after considering the report of the investigating committee, is satisfied that the person in question should be removed as aforesaid, the Council may so remove him by an instrument in writing signed on the directions of the Council.

(2) The Vice-chancellor may, in a case of misconduct by a member of the staff which in the opinion of the Vice-chancellor is prejudicial to the interest of the university, suspend such member and any such suspension shall forthwith be reported to the Council.

(3) For good cause, any member of the staff may be suspended from his duties or his appointment may be terminated by the Council; and for the purposes of this subsection "good cause" means:

(*a*) conviction for any offence which the Council considers to be such as to render the person concerned unfit for the discharge of the functions of his office; or

(*b*) any physical or mental incapacity which the Council, after obtaining medical advice, considers to be such as to render the person concerned unfit to continue to hold his office; or

(*c*) conduct of a scandalous or other disgraceful nature which the Council considers to be such as to render the person concerned unfit to continue to hold his office; or (*d*) conduct which the Council considers to be such as to constitute failure or inability of the person concerned to discharge the functions of his office or to comply with the terms and conditions of his service; or

(*e*) conduct which the Council considers to be generally of such nature as to render the continued appointment or service of the person concerned prejudicial or detrimental to the interest of the University.

(4) Any person suspended pursuant to subsection (2) or (3) of this section shall be on half pay and the Council shall before the expiration of a period of three months after the date of such suspension consider the case against that person and come to a decision as -

(*a*) whether to continue such person's suspension and if so on what terms (including the proportion of his emoluments to be paid to him);

(*b*) whether to reinstate such person, in which case the Council shall restore his full emoluments to him with effect from the date of suspension;

(*c*) whether to terminate the appointment of the person concerned, in which case such a person shall not be entitled to the proportion of his emoluments withheld during the period of suspension; or

(*d*) whether to take such lesser disciplinary action against such person (including the restoration of such proportion of his emoluments that might have been withheld) as the Council may determine.

(5) In any case where the Council, pursuant to this section, decides to continue a person's suspension or decides to take further disciplinary action against a person. The Council shall before the expiration of a period of three months from such decision come to a final determination in respect of the case concerning any such person.

(6) It shall be the duty of the person by whom an instrument of removal is signed in pursuance of subsection (1) of this section to use his best endeavours to cause a copy of the instrument to be served as soon as reasonably practicable on the person to whom it relates.

(7) Nothing in the foregoing provisions of this section shall:

(*a*) apply to any directive given by the Visitor in consequence of any visitation; or

(*b*) prevent the Council from making regulations for the discipline of other categories of workers of the University as may be prescribed (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 16 *stands part of the Bill — Agreed to.*

Clause 17: **Removal of Examiners.**

(1) If on the recommendation of the Senate it appears to the Vice- Chancellor that a person appointed as an examiner for any examination of the University ought to be removed from his office or appointment. then except in such cases as may be prescribed. the Vice-chancellor may after affording the examiner an opportunity of making representations in person remove the examiner from the appointment by an instrument in writing signed by the Vice-chancellor.

(2) Subject to the provisions of regulations made in pursuant to section 7 (5) of this Bill. The Vice-Chancellor may on recommendation of the Senate, appoint an appropriate person as examiner in the place of the examine removed in pursuance of subsection (1) of this section.

(3) It shall be the duty of the Vice-Chancellor on signing an instrument of removal pursuant to this section, to use his best endeavours to cause a copy of the instrument to be served as soon as reasonably practicable on the person to whom it relates (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 17 stands part of the Bill — ***Agreed to.***

Clause 18: **Discipline of Students.**

(1) Subject to the provisions of this section, where it appears to the Vice-chancellor that any student of the University has been guilty of misconduct, the Vice-chancellor may, without prejudice to any other disciplinary powers conferred on him by statute or regulations, direct:

(*a*) that the student shall not, during such period as may be specified in the directions, participate in such activities of the University, or make use of such facilities of the University, as may be so specified; or

(*b*) that the activities of the student shall, during such period as may be specified in the direction, be restricted in such manner as may be so specified, or

(*c*) that the student be rusticated for such period as may be specified in the direction; or

(*d*) that the student be expelled from the University.

(2) Where a direction is given under subsection (1) (*c*) or (*d*) of this section in respect of any student, that student may, within the prescribed period and in the prescribed manner, appeal to the Council; and where such an appeal is brought, the Council shall, after causing such inquiry to be made in the matter as the Council considers just either confirm or set aside the direction or modify it in such manner as the Council deems fit.

(3) The fact that an appeal from a direction is brought in pursuance of subsection (2) of this section shall not affect the operation of the direction while the appeal is pending.

(4) The Vice-chancellor may delegate his powers under this section to a disciplinary board consisting of such members of the University as he may nominate.

(5) Nothing in this section shall be construed as preventing the restriction or termination of a student's activities at the University otherwise than on the ground of misconduct.

(6) A direction under subsection (1) (*a*) of this section may be combined with a direction under subsection (1) (*b*) of this section (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 18 *stands part of the Bill — **Agreed to.***

PART V — MISCELLANEOUS AND GENERAL

Clause 19: Exclusion of discretion on account of race, religion, etc.

(1) No person shall be required to satisfy requirements as to any of the following matters. that is to say, race (including ethnic grouping), sex, place of birth or of family origin, or religious or political persuasion, as a condition of becoming or continuing to be a student at the university, the holder of any degree of the University or of any appointment or employment at the University, or a member of any body established by virtue of this Bill; and no person shall be subject to any disadvantage or accorded any advantage relating to the University, by reference to any of those matters.

(2) Nothing in subsection (1) of this section shall be construed as preventing ,the University from imposing any disability or restriction on any of the persons mentioned in that subsection where such person willfully refuses or fails on grounds of religious belief to undertake any duty generally and uniformly imposed on all such person or any group of them which duty, having regard to its nature and the special circumstances pertaining thereto, is in the opinion of the University reasonably justifiable in the national interest (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 19 *stands part of the Bill — **Agreed to.***

Clause 20: Restriction on disposal of Land by University.

Without prejudice to the provisions of the Land Use Act, the University shall not dispose of or charge any land or an interest in any land (including any land transferred to the University by this Bill) except with the prior written consent, either general or special, of the President:

Provided that such consent shall not be required in the case of any lease or tenancy at a rack-rent for a term not exceeding 21 years or any lease or tenancy to a member of the University for residential purpose (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 20 *stands part of the Bill — **Agreed to.***

Clause 21: Quorum and procedure of bodies established by this Bill.

Except as may be otherwise provided by statute or by regulations, the quorum and procedure of any body of persons established by this Bill shall be as determined by that body (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 21 *stands part of the Bill — **Agreed to.***

Clause 22: **Appointment of Committees, etc.**

(1) Any body of persons established by this Bill shall, without prejudice Appointment of to the generality of the powers of that body, have power to appoint which need not consist exclusively of members of that body and to authorize a committee established by it.

(*a*) to exercise, on its behalf, such of its functions as it may determine;

(*b*) to co-opt members, and

(2) Any two or more such bodies may arrange for the holding of joint meetings of those bodies, or for the appointment of committees consisting of members of those bodies, for the purpose of considering any matter within the competence of those bodies or any of them, and either of dealing with it or of reporting on it to those bodies or any of them.

(3) Except as may be otherwise provided by statute or by regulations, the quorum and procedure of a committee established or meeting held in pursuance of this section, shall be such as may be determined by the body or bodies which have decided to establish the committee or hold the meeting.

(4) Nothing in the provisions of subsection (1), (2) and (3) of this section shall be construed as —

(*a*) enabling the statutes to be made otherwise than in accordance with section 1 of this Bill; or

(*b*) enabling the Senate to empower any other body to make regulations of the award degrees or other qualifications.

(5) The Pro-Chancellor and the Vice-chancellor shall be members of every committee of which the members are wholly or partly appointed by the Council (other than a committee appointed to inquire into the conduct of the officer in question); and the Vice-chancellor shall be a member of every committee of which the members are wholly or partly appointed by the Senate (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 22 stands part of the Bill — ***Agreed to.***

Clause 23: Retiring age of staff of the University.

(1) Notwithstanding anything to the contrary in the Pension Act, the compulsory retiring age of staff shall be as follows:

(*a*) Academic staff of the University in the non-Professional cadre shall be 65 years;

(*b*) Academic staff of the University in the Professional cadre shall be 70 years;

(*c*) Non-academic staff of the University shall be 65 years.

(2) A law or rule requiring a person to retire from the public service after serving for 35 years shall not apply to academic staff of the University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 23 stands part of the Bill — Agreed to.

Clause 24: **Special provisions relating to pension of Professors.**

(1) An academic staff who retires as a professor in a recognized University shall be entitled to a pension at a rate equivalent to his annual salary provided that the professor has served continuously in a recognized University up to the retirement age.

(2) Notwithstanding subsection (1), where the professor has not served up to the retirement age, he shall be entitled to the rate of pension mentioned under subsection (1) provided that he has served a minimum of 20 years as professor in a recognized University.

(3) Where an academic joins a Nigerian University as a professor, such a professor shall have served continuously for at least 20 years in a recognized University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

*Question that Clause 24 stands part of the Bill — **Agreed to.***

Clause 25: **Miscellaneous administrative provisions.**

(1) The seal of the University shall be such as may be determined by the Council and approved by the Chancellor, and the affixing of the seal shall be authenticated by any member of the Council and by the Vice-Chancellor, secretary to the Council or any other person authorized by statute.

(2) Any document purporting to be a document executed under the seal of the University shall be received in evidence and shall, unless the contrary is proved, be presumed to be so executed.

(3) Any contract or instrument which if made or executed by a person not being a body corporate would not be required to be under seal, may be made or executed on behalf of the University by any person generally or specially authorized to do so by the Council.

(4) The validity of any proceedings of anybody established in pursuance of this Bill shall not be affected by any vacancy in the membership of the body, or by any defect in the appointment of a member of the body or by reason that any person not entitled to do so took part in the proceedings.

(5) Any member of any such body who has a personal interest in any matter proposed to be considered by that body shall forthwith disclose his interest to the body and shall vote on any question relating to that matter.

(6) Nothing in section 12 of the Interpretation Act (which provides for the application in relation to subordinate legislation of certain incidental provisions) shall apply to statutes of regulations made in pursuance of this Bill.

(7) The power conferred by this Bill on anybody to make statutes or regulations shall include power to revoke or vary any statute (including the statute contained in the Third Schedule of this Bill) or any regulation by a subsequent statute or as the case may be, by a subsequent regulation and statutes and regulations may make different provisions in relation to different circumstances.

(8) No stamp or other duty shall be payable in respect of any transfer of property to the University by virtue of section 8 or section 18 of this Bill or the Second Schedule to this Bill.

(9) Any notice or other instrument authorized to be served by virtue of this Bill may, without prejudice to any other mode of service, be served by post.

Pre-Action Notice.

(10) (*a*) No legal proceedings shall be instituted and /or commenced against the University or any of its agents in the course of their official duties unless a 3 months Pre-Action Notice of such intention is served on the University by an aggrieved party.

(*b*) The Notice shall state the reason and the cause of action intended to be taken against the University, the particulars of the claim, the name and place of abode of the intending plaintiff and the relief which he claims.

(*c*) For the avoidance of doubt, it is hereby declared that no suit shall be commenced against an officer or servant of the University, in any case where the University is vicariously liable for any alleged act, neglect or default of the officer or servant in the performance or intended performances of his duties, unless three months at least have elapsed after written notice of intention to commence the same shall have been served on the University by the intending plaintiff or his agent.

(*d*) In any suit against this University, no execution or attachment or process in the nature thereof shall be issued against the University, but any sums of money which may be judgment of the Court be awarded against the University shall, subject to any direction given by the Court where notice of appeal has been given by the University in respect of the said judgment, be paid by the University from its general fund.

Service of Notice.

(11) Service upon the University of any notice, order or other document may be effected by delivering the same or by sending it by registered post addressed to the Registrar and Secretary of the Council (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 25 stands part of the Bill — ***Agreed to.***

Clause 26: **Interpretation.**

(1) In this Bill, unless the context otherwise requires:

"Campus" means any campus which may be established by each University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Campus" be as defined in the interpretation to this Bill — ***Agreed to.***

"College" means the Council established pursuant to section 2 (1) (g) of this Bill for the University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "College" be as defined in the interpretation to this Bill — **Agreed to.**

"Graduate" means a person on whom a degree, other than an honorary degree has been conferred by the University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Graduate" be as defined in the interpretation to this Bill — **Agreed to.**

"Minister" means the Minister charged with responsibility for matters relating to higher education (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Minister" be as defined in the interpretation to this Bill — **Agreed to.**

"Notice" means notice in writing (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Notice" be as defined in the interpretation to this Bill — **Agreed to.**

"Officer" does not include the Visitor (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Officer" be as defined in the interpretation to this Bill — **Agreed to.**

"Prescribed" means prescribed by statute or regulations (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Prescribed" be as defined in the interpretation to this Bill — **Agreed to.**

"Professor" means a person designated as a professor of the University in accordance with provisions made in that behalf by statute or by regulations (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Professor" be as defined in the interpretation to this Bill — **Agreed to.**

"Property" includes rights, liabilities and obligations (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Property" be as defined in the interpretation to this Bill — **Agreed to.**

"Provisional Council" means the provisional council appointed for the University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the words "Provisional Council" be as defined in the interpretation to this Bill — **Agreed to.**

"Regulations" means regulations made by the Senate or the Council (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Regulations" be as defined in the interpretation to this Bill — ***Agreed to.***

"Senate" means the Senate of the University established pursuant to section 2 (1) (*c*) of this Bill (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Senate" be as defined in the interpretation to this Bill — ***Agreed to.***

"School" means a unit of closely related academic programmes (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "School" be as defined in the interpretation to this Bill — ***Agreed to.***

"Statute" means a statute made by the University under section 11 of this Bill and in accordance with the provisions of section 12 of this Bill, and "the statutes" means all such statutes as are in force from time to time (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Statute" be as defined in the interpretation to this Bill — ***Agreed to.***

"Teacher" means a person holding a full-time appointment as a member of the teaching or research staff of the University (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Teacher" be as defined in the interpretation to this Bill — ***Agreed to.***

"Undergraduate" means a person in *statu pupil lariat* the University other than —

(*a*) a graduate; and

(*b*) a person of such description as may be prescribed for the purpose of the definition;

"University" means Nigeria Maritime University, Okerenkoko established under section 1 of this Bill (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "University" be as defined in the interpretation to this Bill — ***Agreed to.***

"Visitor" means the President of the Federal Republic of Nigeria (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that the meaning of the word "Visitor" be as defined in the interpretation to this Bill — ***Agreed to.***

(2) It is hereby declared that where in any provision of this Bill it is laid down that the proposals are to be submitted or a recommendation is to be made by one authority or another through one or more intermediate authorities, it shall be the duty of every such intermediate authority to forward any proposals or recommendations received by it in pursuance of that provision to the appropriate authority; but any such intermediate authority may, if it thinks fit, forward therewith its own comments thereon (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 26 *stands part of the Bill* — ***Agreed to.***

Clause 27: **Short Title.**
This Bill shall be cited as Nigeria Maritime University, Okerenkoko (Establishment) Bill, 2018 (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Question that Clause 27 *stands part of the Bill* — ***Agreed to.***

SCHEDULES

FIRST SCHEDULE

PRINCIPAL OFFICERS OF THE UNIVERSITY

The Chancellor

1. The Chancellor shall be appointed by and hold office at the pleasure of the President.

The Pro-Chancellor

2. (1) The Pro-Chancellor shall be appointed or removed from office by the President.

(2) Subject to the provisions of this Bill, the Pro-Chancellor shall hold office for a period of four years beginning with the date of his appointment

The Vice-Chancellor

3. (1) The First Vice-Chancellor of the University who shall be appointed by the President while the subsequent Vice- Chancellors shall be appointed by the Governing Council in accordance with the provisions of the University Miscellaneous Act as amended 1993.

(2) Where a vacancy occurs in the post of a Vice-chancellor, the Council shall -

(*a*) advertise the vacancy in a reputable journal or a widely read newspaper in Nigeria, specifying:

(*i*) the qualities of the persons who may apply for the post; and

(*ii*) the terms of conditions of service applicable to the post, and thereafter draw up a short list of suitable candidates for the post for consideration:

(*b*) constitute a Search Team consisting of:

(*i*) a member of the Council, who is not a member of the Senate, as chairman:

(*ii*) two members of the Senate who are not members of the Council, one of whom shall be a professor:

(*iii*) two members of Congregation who are not members of the Council one of whom shall be a professor, to identify and nominate for consideration, suitable persons who are not likely to apply for the post on their own volition because they fell that it is not proper to do so.

(3) A Joint Council and Senate Selection Board consisting of:

(*a*) the Pro-Chancellor, as chairman:

(*b*) two members of the Council, not being members of the Senate;

(*c*) two members of the Senate who are professors, but who were not members of the Search Team, shall consider the candidates and persons in the short list drawn up under subparagraph (2) of this paragraph through an examination of their curriculum vitae and Interaction with them, and recommend to the Council suitable candidates for further consideration.

(4) The Joint Council and Senate selection Board shall select three candidates from among the candidates recommended to it under subparagraph (3) of this paragraph and may indicate its order of preference.

(5) The Council shall select and appoint as Vice-Chancellor one candidate from among the three candidates recommended thereafter inform the Visitor.

(6) The Vice-Chancellor shall hold office for a single term of five years only on such terms and conditions as may be specified in his letter of appointment.

(7) When the proposal for the removal of the Vice-Chancellor is made, the Council shall constitute a Joint Committee of Council and Senate consisting of:

(*i*) three members of the Council, one of whom shall be the Chairman of the Committee, and

(*ii*) two members of the Senate:

Provided that where the ground for removal is infirmity of the body or mind, the Council shall seek appropriate medical opinion.

(8) The Committee shall conduct investigation into the allegation made against the Vice-Chancellor and shall report its findings to the Council.

(9) The Council may where the allegations are proved remove the Vice-Chancellor or apply any other disciplinary action it may deem fit and notify the Visitor accordingly provided that a Vice-Chancellor who is removed shall have right of Appeal to the Visitor.

(10) There shall be no sole administrator in the University.

(11) In any case of a vacancy in the office of the Vice-Chancellor, the Council shall appoint an acting Vice-Chancellor on recommendation of the Senate.

(12) An acting Vice-Chancellor in all circumstances shall not be in office for more than 6 months.

Deputy Vice-Chancellors

4. (1) There shall be for the University such number of Deputy Vice-Chancellors as Council may from time to time, deem necessary for the proper administration of the University.

(2) Where a vacancy occurs in the post of Deputy Vice-chancellor, the Vice-chancellor shall forward to the Senate a list of two candidates for each post of Deputy Vice-Chancellor that is vacant.

(3) The Senate shall select for each vacant post one candidate from each list forward to it under subparagraph (2) of this paragraph and forward his name to the Council for confirmation.

(4) A Deputy Vice-chancellor shall:

(*a*) assist the Vice-chancellor in the performance of his functions;

(*b*) act in the place of the Vice-Chancellor when the post of the Vice-Chancellor is vacant or if the Vice-Chancellor is, for any reason, absent or unable to perform his functions as Vice-Chancellor; and

(*c*) perform such other functions as the Vice-chancellor of the Council may, from time to time, assign to him.

(5) A Deputy Vice-Chancellor:

(*a*) shall hold office for a period of two years beginning from the effective date his appointment and on such terms and conditions as may be specified in his letter of appointment; and

(*b*) may be reappointed for one further period of two years and no more.

(*c*) may be removed from office for good cause by the Council acting on the recommendations of the Vice-Chancellor and Senate.

(*d*) "Good cause" for the purpose of this section means gross misconduct or inability to discharge the functions of his office arising from infirmity of the body or mind.

Office of the Registrar

5. (1) There shall be for each University, a Registrar, who shall be the chief administrative officer of the University and shall be responsible to the Vice-chancellor for the day-to-day administrative work of the University except as regards matters for which the Bursar is responsible in accordance with paragraph 6 (2) of this Schedule.

(2) The person holding the office of the Registrar shall by virtue of that office be (3) Secretary to the Council, the Senate, Congregation and Convocation.

Other Principal Officers of the University

6. (1) There shall he for each University the following principal officers, in addition to the Registrar, that is —

(*a*) the Bursar; and

(*b*) the University Librarian, who shall be appointed by the Council on the recommendation of the Selection Board constituted under paragraph 7 of this Schedule.

(2) The Bursar shall be the Chief Financial Officer of the University and responsible to the Vice-chancellor for the day-to-day administration and control of the financial affairs of the University.

(3) The University Librarian shall be responsible to the Vice-chancellor for the administration of the university library and the co-ordination of the library services in the University and its campuses, colleges, faculties, schools, departments, institutes and other teaching or research units.

(4) Any question as to the scope of the responsibilities of the aforesaid officers shall he determined by the Vice-chancellor.

Selection Board for other Principal Officers

7. (1) There shall he, for the University, a Selection Board for the appointment of principal officers, other than the Vice-chancellor or Deputy Vice-chancellor, which shall consist of -

(*a*) the Pro-Chancellor, as chairman;

(*b*) the Vice-chancellor;

(*c*) four members of the Council not being members of the Senate; and

(*d*) two members of the Senate.

(2) The functions, procedure and other matters relating to the Selection Board constituted under subparagraph (1) of this paragraph shall he as the Council may, from time to time, determine.

(3) The Registrar, Bursar or Librarian shall hold office for a single term of five years only beginning from the effective date of his appointment and on such terms and conditions as may be specified in his letter of appointment.

(4) Notwithstanding subsection (3) of this section, the Council may, upon satisfactory performance, extend the tenure of the Registrar, Bursar or Librarian for a further period of one year only and thereafter such principal officer shall relinquish his post and be assigned to other duties in the University.

Resignation and Reappointment

8. (1) Any officer mentioned in the foregoing provisions of this Schedule may resign his office —

(*a*) in the case of the Chancellor or Pro-Chancellor, by notice to the President;

(*b*) in any other case, by notice to the Council and the Council shall, in the case of the Vice-chancellor, immediately notify the Minister.

(2) Without prejudice to paragraph 4 of this Schedule, a person who has ceased to hold an office so mentioned otherwise than by removal for misconduct shall be eligible for re-appointment to that office (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

*Question that the provisions of the First Schedule stands part of the Bill — **Agreed to.***

SECOND SCHEDULE

TRANSITIONAL PROVISIONS AS TO PROPERTY, FUNCTIONS, ETC.

Transfer of Property to University

1. (1) Without prejudice to the generality of section 9 (1) of this Bill —

(*a*) the reference in that subsection to property held by the Provisional Council shall include a reference to the right to receive and give a good discharge for any grants or contributions which may have been voted or promised to the provisional council;

(*b*) all debts and liabilities of the provisional council outstanding shall become debts or liabilities of the University.

2. (1) All agreements, contracts, deeds and other instruments to which the provisional council was a party shall, so far as possible and subject to any necessary modifications, have effect as if the University had been a party thereto in place of the provisional council.

(2) Documents not falling within subparagraph (1) of this paragraph, including enactment" which refer, whether specially or generally, to the provisional council, shall be construed in accordance with that sub-paragraph so far as applicable.

(3) Any legal proceedings or application to any authority pending by or against the provisional council may be continued by or against the University.

Registration of transfers

3. (1) If the law in force at the place where any property transferred by this Bill is situated provides for the registration of transfers of property of the kind in question (whether by reference to an instrument of transfer or otherwise), the law shall, so far as it provides for alterations of a register (but not for avoidance of transfers, the payment of fees or any other matter) apply, with necessary modifications, to the property aforesaid.

(2) It shall be the duty of the body to which any property is transferred by this Bill to furnish the necessary particulars of the transfer to the proper officer of the registration authority, and of that officer to register the transfer accordingly.

Transfer of Functions, etc.

4. (1) The first meeting of the Council shall be convened by the Pro-Chancellor on such date and in such manner as he may determine.

(2) The persons who were members of the provisional council shall be deemed to constitute the Council until the date when the Council as set up under the Third Schedule to this Bill shall have been duly constituted.

(3) The first meeting of the Senate as constituted by this Bill shall be convened by the Vice-chancellor on such date and in such manner as he may determine.

(4) The person who were members of the Senate immediately before the coming into force of this Bill shall be deemed to constitute the Senate of the University until the date when the Senate as set up under the Third Schedule to this Bill shall have been duly constituted.

(5) Subject to any regulations which may be made by the Senate after the date on which this Bill is made, the schools, school boards and students of the University immediately before the coming into force of this Bill shall on that day become schools, school boards and students of the University as constituted by this Bill.

(6) Persons who were Deans or associate Deans of schools or members of school boards shall continue to be Deans or associate Deans or become members of the corresponding school boards, until new appointments are made in pursuance of the statues.

(7) Any person who was a member of the staff of the University as established or was otherwise employed by the provisional council shall become the holder of an appointment at the University with the status, designation and functions which correspond as nearly as may be to those which appertained to him as member of that staff or as such an employee (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

*Question that the provisions of the Second Schedule stands part of the Bill — **Agreed to.***

THIRD SCHEDULE

NIGERIA MARITIME UNIVERSITY, OKERENKOKO

Statute No. 1

ARRANGEMENT OF ARTICLES

Articles:

1. **The Council.**

(1) The composition of the Council shall be as provided in section 5 of this Bill.

(2) Any member of the Council holding office otherwise than in pursuance of section 5 (*a*), (*b*), (*c*), or (*d*) of this Bill may, by notice to the Council, resign his office.

(3) A member of the Council holding office otherwise than in pursuance of section 5 (*a*), (*b*), (*c*), or (*d*) of this Bill shall, unless he previously vacates it, vacate that office on the expiration of the period of four years beginning with effect from I August in the year which he was appointed.

(4) Where a member of the Council holding office otherwise than in pursuance of section 5 (*a*), (*b*), (*g*), or (*h*) of this Bill vacates office before the expiration of the period aforesaid, the body or person by whom he was appointed may appoint a successor to hold office for the residue of the term of his predecessor.

(5) A person ceasing to hold office as a member of the Council otherwise than by removal for misconduct shall be eligible for re-appointment for only one further period of four years.

(6) The quorum of the Council shall be five, at least one of whom shall be a member appointed pursuant to section 5 (*d*) or (*e*) of this Bill.

(7) If the Pro-Chancellor is not present at a meeting of the Council, such other member of the Council present at the meeting as the Council may appoint as respects that meeting shall be the chairman at that meeting, and subject to section 4 of this Bill and the foregoing provisions of this paragraph, the Council may regulate its own procedure.

(8) Where the Council desires to obtain advice with respect to any particular matter may co-opt not more than two persons for that purpose, and the persons co- opted may take part in the deliberations of the Council at any meeting but shall not be entitled to vote.

2. **The Finance and General Purposes Committee.**

(1) The Finance and General Purposes Committee of the Council shall consist of:

(*a*) the Pro-Chancellor, who shall be the chairman of the Committee at any meeting at which he is present;

(*b*) the Vice-chancellor and Deputy Vice-Chancellors;

(*c*) six other members of the Council appointed by the Council, two of whom shall be selected from among the three members of the Council appointed by the Senate and one member appointed to the Council by Congregation;

(*d*) the Permanent Secretary of the Federal Ministry of Education, or in his absence, Such member of his Ministry as he may designate to represent him; and

(2) The quorum Of the Committee shall be five.

(3) Subject to any directions given by the Council, the Committee may regulate its own procedure.

Annual budget and estimates, etc.

(4) (*i*) The estimates of income and expenditure for a financial year shall be presented by the Vice-Chancellor to the Council and may be approved by the Council before the beginning of that financial year.

Provided that the Vice-Chancellor may during any financial year present and the Council may supplementary estimates of income or expenditure.

(*ii*) The annual and supplementary estimates shall be prepared in such form and shall contain such information as the Council may direct.

Gifts, donations, etc.

(5) (*i*) The Council may on behalf of the University accept by way of grants, gifts, testamentary disposition or otherwise, property and money in aid of the finances of the University on such conditions as it may approve;

(*ii*) Registers shall be kept of all donations to the University including the names of donors and any special conditions under which any donation may have been given:

Provided that the University shall not be obliged to accept a donation for a particular purpose unless it approves of the terms and conditions attached to such donation.

(*iii*) All property, money or funds donated for any specific purposes shall be applied and administered in accordance with the purposes for which they are donated and shall be accounted for separately.

Payment into bank.

(6) All sums of money received on account of the University shall be paid into such bank as may be approved by the Council for the credit of the University's general, current or deposit account:

Provided that the Council may invest, as it deems fit, any money not required for immediate use other than donations of money referred to in subsection (1) of this section.

Audit.

(7) (*i*) The Council shall cause the accounts of the University to be audited by auditors appointed by the Council as soon as may be after the end of each financial year or for any such other period as the Council may require.

(*ii*) The appointment and other matters relative to the auditors, their continuance in office and their functions, as the case may be, shall, subject to the provisions of this section, be prescribed by statute.

3. **The Senate.**

(1) The Senate shall consist of:

(*i*) the Vice-chancellor;

(*ii*) Deputy Vice Chancellors;

(*iii*) all Professors of the University;

(*iv*) all Deans, Provosts, and Directors of Academic Units of the University;

(*v*) all Heads of Academic Departments, Units and research institutes of the University;

(*vi*) the Librarian;

(*vii*) all Academic Members of the Congregation who are not Professors as specified in the law of the University;

(*viii*) such teachers, not being more than one third of the, total number of non-elected members, elected by Congregation and at least one 6f whom shall come from each school; and

(*ix*) two members representing a variety of interests of the professional bodies outside the University appointed by the Senate on the recommendation of the Vice-chancellor.

(2) The Vice-chancellor shall be the chairman at all meetings of the Senate when he is present, and in his absence any of the Deputy V ice-Chancellors present at the meeting as the Senate may appoint for that meeting shall be the Chairman at the meeting.

(3) The quorum of the Senate shall be one quarter or the nearest whole number less than one quarter; and subject to paragraph (2)of this article, the Senate may regulate its own procedure.

(4) All elected member may, by notice to the Senate, resign his office.

(5) Subject to paragraph (7) of this article, .there shall be elections for the selection of elected members which shall be held in the prescribed manner on such day in the month of Mayor June in each year as the Vice-chancellor may from time to time determine.

(6) An elected member shall bold office for the period of two years beginning with 1st August in the year of his election, and may be a candidate at any election held in pursuance of paragraph (5) of this article in the year in which his period of office expires so however that no person shall be such a candidate if at the end of his current period of office he will have held office as all elected member for a Continuous period of six years or would have so held office if he had not resigned it.

(7) No election shall be held in pursuance of this article in any year if the number specified in the certificate given in pursuance of paragraph (10) of this article does not exceed by more than one the figure which is thrice the number of those elected members holding office on the date of the certificate who do not vacate office during that year in pursuance of paragraph (6) of this article.

(8) For the avoidance of doubt it is hereby declared that no person shall be precluded from continuing in or taking office as all elected member by reason only of reduction in the number of non-elected members occurring on or after 30 April in any year in which he is to continue in or take office as all elected member.

(9) If so requested in writing by any fifteen members of the Senate, the vice-chancellors or in his absence any of the Deputy Vice Chancellors duly appointed by him, shall convene a meeting of the Senate to be held not later than the tenth day following that on which the request was received.

(10) In this article "total of non-elected members" means as respect any year, such number as may be certified by the Vice-chancellor on 30 April of that year to be the number of persons holding office as members of the Senate on that day otherwise than as elected members.

4. Congregation.

(1) Congregation shall consist of:

(*i*) Vice-chancellor and the Deputy Vice Chancellors;

(*ii*) The full -time members of the academic staff;

(*iii*) The Registrar;

(*iv*) The Bursar;

(*v*) The Librarian;

(*vi*) The Director of Works;

(*vii*) The Director of Health Services; and

(*viii*) Every member of the administrative staff who holds a degree, other than honorary degree, of any University recognized for the purposes of this statute by the Vice-Chancellor.

(2) Subject to section 4 of this Bill, the Vice-chancellor shall be the chairman at all meetings of Congregation when he is present; and in his absence any of the Deputy Vice Chancellors present at the meeting as Congregation may appoint for that meeting, shall be the chairman at the meeting.

(3) The quorum of Congregation shall be one third or the whore number nearest to one third of the total number of members of Congregation of fifty, whichever is less.

(4) A certificate signed by the Vice-Chancellor specifying:

(*a*) the total number of members of Congregation for the purpose of any particular meeting or meetings of Congregation; or

(*b*) the names of the persons who are members of Congregation during a particular period, shall be conclusive evidence of that number or, as the case may be, of the names of those persons.

(5) Subject to the foregoing provisions of this article, Congregation may regulate its own procedure.

(6) Congregation shall be entitled to express by resolutions or otherwise its opinion on all matters affecting the interest and welfare of the University and shall have such other functions, in addition to the function of electing a member of the Council, as may be provided by statute or regulations.

5. Convocation.

(1) Convocation shall consist of:

(*i*) the officers of the University mentioned in the First Schedule to this Bill;

(*ii*) all teachers within the meaning of this Bill:

(*iii*) all other persons whose names are registered in accordance with paragraph (2) of this article.

(2) A person shall be entitled to have his name registered as a member of convocation if he:

(*a*) is either a graduate of the University or a person satisfying such requirements as may be prescribed for the purposes of this paragraph; and

(*b*) applies for the registration of his name in the prescribed manner and pay the prescribed fees.

(3) Regulations shall provide for the establishment and maintenance of a register for the purpose of this paragraph and subject to paragraph (4) of this article may provide for the payment, from time to time, of further fees by persons whose names are on the register and for the removal from the register of the name of any person who fails to pay those fees.

(4) The person responsible for maintaining the register shall, without the payment of any fees ensure that the names of all persons who are for the time being members of the Convocation by virtue of paragraph (*a*) or (*b*) of this article are entered and retained on the register.

(5) A person who reasonably claims that he is entitled to have his name on the register shall be entitled on demand to inspect the register or a copy of the register at the principal times of the University at all reasonable times.

(6) The register shall, unless the contrary is proved, be sufficient evidence that any person named therein is not, a member of Convocation; but for the purpose of ascertaining whether a particular person was such a member on a particular date, any entries in and deletions from the register made on or after that date shall be disregarded.

(7) The quorum of Convocation shall be fifty or one third or the whole number nearest to one third or the whole number of members of Convocation whichever is less.

(8) Subject 10 section 4 of the Act, the Chancellor shall be chairman at all meetings of Convocation when he is present, and in his absence the Vice-chancellor shall be the chairman at the meeting.

(9) Convocation shall have such functions, in addition to the function of appointing a member of the Council, as may be provided by statute or regulations.

6. **Division of Faculties/Schools.**

The faculties' shall be divided into such number of branches as may be prescribed.

7. **Faculties/School Boards.**

(1) There shall be established in respect of each faculty/school, a board of studies which, subject to the provisions of this Statute, and subject to the directions of the Vice-Chancellor, shall:

(*a*) regulate the teaching and study of, and the conduct of examinations connected with the subjects assigned to the college;

(b) deal with any other matter assigned to it by statute or by the Vice-Chancellor or by the Senate; and

(c) advice the Vice-chancellor or the Senate on any matter referred to it by the Vice-Chancellor or the Senate.

(2) Each faculty/school board of studies shall consist of:

(a) the Vice-chancellor:

(b) the Dean;

(c) the persons severally in charge of the branches of the school;

(d) such other teachers assigned to the college and having the prescribed qualifications as tire board may determine; and

(e) such persons, whether or not members of the University, as the Board may determine with the general or special approval of the Senate.

(3) The quorum of the board shall be eight members or one quarter. Whichever is greater, of the members for the time being of the board; and subject to the provisions of this statute and to any provision made by regulations in that behalf, the board may regulate its own procedure.

8. Deans of the Faculties/Schools.

(1) The Board of Provost shall, at a meeting in the last term of any academic year which the term, of office of the Dean express, nominate one of, its members, being one of the professors assigned to that teaching unit, for appointment by the Senate as Dean of the school.

(2) The person appointed under paragraph 1 of this article shall act as Dean of the faculty and chairman of all meetings of the University board when he is present and shall be a member of all committees and other boards appointed by the University.

(3) The Dean shall hold office for two years and shall be eligible for reappointment One further period of two years, thereafter he shall not be eligible for reappointment.

(4) The Dean of a faculty shall exercise general superintendence over the academic and administrative affairs of the University.

(5) It shall be the function of the Dean to present to Convocation for the conferment of degrees persons who have qualified for the degrees of the University at examination held in the branches of learning for which responsibility is allocated to the University.

(6) There shall be a committee to be known as the Committee of Deans consisting of all the Deans of the several faculties and that Committee shall advise the Vice-chancellor on all academic matters and on particular matters referred to the University by the Senate.

(7) The Dean of faculty/school may be removed from office for good cause by the faculty/school board after a vote would have been taken at a meeting of the board, and in the event of a vacancy occurring following the removal of a Dean, an acting Dean may be appointed by the Vice-chancellor provided that at the next school board meeting an election shall be held.

(8) In this article good cause" has the same meaning as in section 14(3) of the Act.

9. Selection of Director of Works.

(1) When a vacancy occurs in the office of the Director of Works, a selection board shall be constituted by the council which shall consist of:

(*a*) the Pro-Chancellor;

(*b*) the Vice-chancellor;

(*c*) two members appointed by the Council, not being members of the Senate;

(*d*) two members appointed by the Senate.

(2) The selection board after making such inquiries as it thinks fit, shall recommend a candidate to the Council for appointment to the vacant office; and after, considering the recommendation of the board the Council may make an appointment to that office.

10. Creation of Academic Posts.

Recommendations for tile creation of academic posts other than principal officers shall be made by the Senate to the council through the Finance and General purposes Committee.

11. Appointment of Academic Staff.

(1) Subject to the Act and statutes, the filling of vacancies in academic posts (including newly created ones) shall be the responsibility of the Senate.

(2) For the purpose of filling such vacancies, suitable selection boards to select and make appointments on behalf of the Council shall be set up.

(3) For appointment to professorships, associate professorship or readerships or equivalent posts, a board of selection, with power to appoint, shall consist of:

(*a*) the Vice-chancellor:

(*b*) two members appointed by the Council;

(*c*) four members appointed by the Senate, at least two of whom shall be members of the Senate, while the other two members shall be professional peers in the professional area in which an appointment is to be considered;

(*d*) if the post is tenable at a faculty/school, the Dean of the faculty/school;

(*e*) if the post is within a school, institute or other teaching unit in the University, the Dean of the school or the teaching unit, or the director of the institute, as the case may be; and

(*f*) such other persons, not exceeding two in number, deemed capable of helping the board in assessing both the professional and academic suitability of a candidate under consideration, as the Senate may from time to time appoint.

(4) For other academic posts, a selection board, with power to appoint, shall consist of:

(*a*) the Vice-chancellor:

(*b*) four members appointed by the Senate, at least two of whom shall be members of the Senate, while the other two members shall be professional peers in the professional area in which an appointment is to be considered;

(*c*) if the post is tenable at a faculty/school, the Dean of faculty/school;

(*d*) if the post is within a school, institute or other teaching unit in the University, the Dean of the school or the teaching unit or the director of the institute, as the case may be; and

(*e*) such other persons, not exceeding two in number, deemed capable of helping the board in assessing both the professional and academic suitability of a candidate under consideration, as the Senate may from time to time appoint.

(5) All appointments to senior library posts shall be made in the same way as equivalent appointments in the academic cadre; and for all such posts other than that of the Librarian, the Librarian shall be a Member of the selection Board.

(6) Boards of selection may interview candidates directly or consider the reports of specialist interviewing panels and shall in addition, in the case of professorships, associate professorship, readerships or equivalent posts, consider the reports of external assessors relevant to the area in which the appointment is being considered.

12. Appointment of Administrative and Professional Staff.

(1) The administrative and professional staff of the University other than principal officers shall be appointed by the Councilor on its behalf by the vice-chancellors or the Registrar in accordance with delegation of any powers made by the Council in that behalf.

(2) In the case of administrative or professional staff who have close and important connection with the academic staff, there shall be Senate participation in the process of selection.

13. Interpretation.

In this Statute, the expression "the Act" means the Nigeria Maritime University, Okerenkoko Bill and any word or expression defined in the Bill has the same meaning in this Statute.

14. Short Title.

This Statute may be cited as Nigeria Maritime University, Okerenkoko Statute No. 1 (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

*Question that the provisions of the Third Schedule stands part of the Bill — **Agreed to.***

Explanatory Memorandum:

This Bill seeks to establish the Nigeria Maritime University, Okerenkoko, Delta State (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Agreed to.

Long Title:

A Bill for an Act to Establish the Nigeria Maritime University, Okerenkoko, Delta State and for Related Matters (HB. 1032) (*Hon. Ossai N. Ossai — Ndokwa East/Ndokwa West/Ukwuani Federal Constituency*).

Agreed to.

Chairman to report Bill.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in Committee of the Whole considered the Report of the Conference Committee on a Bill for an Act to Establish the Nigeria Maritime University, Okerenkoko, Delta State; and for Related Matters, 2018 and adopted the Conference Report.

*Question that the House do adopt the Report of the Committee of the Whole — **Agreed to.***

(*ii*) **Rescission of the decision of the Committee of the Whole:**
Motion made and Question proposed, "That the House do rescind its decision on the Conference Committee Report on a Bill for an Act to Establish the Nigeria Maritime University, Okerenkoko, Delta State; and for Related Matters, 2018, pursuant to Order Eight, Rule 8 (*vi*)" (*Hon. Pwajok Edward Gyang — Jos South/Jos East Federal Constituency*).

Agreed to.

(*iii*) ***Conference Committee Report on a Bill for an Act to Amend the Industrial Development (Income Tax Relief) Act, Cap. A17, Laws of the Federation of Nigeria, 2004 and for Related Matters (Committee of the Whole):***
Motion made and Question proposed, "That the House do consider the Report of the Conference Committee on a Bill for an Act to Amend the Industrial Development (Income Tax Relief) Act, Cap. A17, Laws of the Federation of Nigeria, 2004 and for Related Matters and approve the recommendations therein"(*Hon. Dasuki Abdussamad — Kebbe/Tambuwal Federal Constituency*).

Agreed to.

*Question that the House do resolve into the Committee of the Whole to consider the Report — **Agreed to.***

(HOUSE IN COMMITTEE)

(*Mr Deputy Speaker in the Chair*)

CONFERENCE COMMITTEE ON A BILL FOR AN ACT TO AMEND THE INDUSTRIAL DEVELOPMENT (INCOME TAX RELIEF) ACT, CAP. I7, LAWS OF THE FEDERATION OF NIGERIA, 2004; AND FOR RELATED MATTERS

Clause 4: **Amendment of Section 3.**

(*a*) Section 3 (6) of the Principal Act is amended by inserting new "subsections (*c*) and (*d*) after the existing subsection (*b*) to read as follows:

(*c*) for any company whose investment is in the rural area where infrastructures like road, electricity, housing, water, etc. are provided by the company, the pioneer certificate may specify the maximum tax relief period, not exceeding seven years; and

(*d*) for any company whose investment is in agriculture and agro-processing, where over 90% of inputs are local materials, the pioneer certificate may specify the maximum tax relief period, not exceeding fifteen years (*Hon. Dasuki Abdussamad — Kebbe/Tambuwal Federal Constituency*)y).

Question that Clause 4 *stands part of the Bill — **Agreed to.***

Clause 6: **Amendment of Section 25.**

Section 25 of the Principal Act is amended by inserting the definition of the words:

"Commission" means Nigeria Investment Promotion Commission (NIPC) immediately after the definition of the words "company" (*Hon. Dasuki Abdussamad — Kebbe/Tambuwal Federal Constituency*)y).

*Question that the meaning of the word "Commission" be as defined in the interpretation to this Bill — **Agreed to.***

"Board" means Federal Inland Revenue Service established under section 1 of the Principal Act (*Hon. Dasuki Abdussamad — Kebbe/Tambuwal Federal Constituency*)y).

*Question that the meaning of the word "Board" be as defined in the interpretation to this Bill — **Agreed to.***

Question that Clause 6 *stands part of the Bill — **Agreed to.***

Long Title:

Conference Committee on a Bill for an Act to Amend the Industrial Development (Income Tax Relief) Act, Cap. I7, Laws of the Federation of Nigeria, 2004; and for Related Matters (*Hon. Dasuki Abdussamad — Kebbe/Tambuwal Federal Constituency*)y).

Agreed to.

Chairman to report Bill.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in Committee of the Whole considered the Report of the Conference Committee on a Bill for an Act to Amend the Industrial Development (Income Tax Relief) Act, Cap. A17, Laws of the Federation of Nigeria, 2004 and for Related Matters and adopted the Conference Committee Report..

*Question that the House do adopt the Report of the Committee of the Whole — **Agreed to.***

(*iv*) ***A Bill for an Act to Repeal the Nigeria Deposit Insurance Corporation Act of* 2006 *and Enact the Nigeria Deposit Insurance Corporation Bill*, 2018 (HB. 984) (*Committee of the Whole*):**

Motion made and Question proposed, "That the House do consider the Report on a Bill for an Act to Repeal the Nigeria Deposit Insurance Corporation Act of 2006 and Enact the Nigeria Deposit Insurance Corporation Bill, 2018 (HB. 984) and approve the recommendations therein"(*Hon. Fakeye Julius Olufemi — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Agreed to.

*Question that the House do resolve into the Committee of the Whole to consider the Report — **Agreed to.***

(HOUSE IN COMMITTEE)

(*Mr Deputy Speaker in the Chair*)

A BILL FOR AN ACT TO REPEAL THE NIGERIA DEPOSIT INSURANCE CORPORATION ACT OF 2006 AND ENACT THE NIGERIA DEPOSIT INSURANCE CORPORATION BILL, 2018 (HB. 984)

PART I — ESTABLISHMENT AND FUNCTIONS OF THE CORPORATION

Clause 1: **Establishment of NDIC.**

(1) There shall be a body known as the Nigeria Deposit Insurance Corporation (hereinafter in this Bill referred to as "the Corporation").

(2) The Corporation:

(*a*) shall be a body corporate with perpetual succession and a common seal.

(*b*) may sue or be sued in its corporate name; and

(*c*) may, for the purposes of its functions under this Bill and subject to the Land Use Act, hold, acquire and dispose of any property movable or immovable (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 1 *stands part of the Bill* — ***Agreed to.***

Clause 2: **Public Policy Objectives.**

The Corporation shall have the following Public Policy objectives:

(1) protecting small, uninformed and less financially sophisticated depositors by providing an orderly means of compensation in the event of either failure of their insured financial institutions or the inability of such insured institutions to make payment to depositors.

(2) contributing to the financial system stability in its role as a key participant in the financial system safety-net, and

(3) enhancing public confidence and systemic stability by providing a framework for the resolution and orderly exit mechanism for failing and failed insured institutions (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 2 *stands part of the Bill* — ***Agreed to.***

Clause 3: **Mandate.**

The mandate of the Corporation is:

(*a*) deposit payment Guarantee to depositors of all insured institutions pursuant to the provisions of this Bill;

(*b*) the effective supervision of Insured Institutions in collaboration with the Central Bank of Nigeria as Regulator and lead Supervisor to reduce the risk of bank failure and ensure that unsafe and unsound banking practices are minimized;

(*c*) the prompt resolution of all distressed Insured Institutions and (*d*) the efficient liquidation of failed Insured Institutions (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 3 stands part of the Bill — **Agreed to.***

Clause 4: Functions of the Corporation.

(1) The Corporation shall have responsibility for —

(*a*) insuring all deposit liabilities of licensed banks and such other deposit taking financial institutions (hereinafter referred to as "insured institutions") operating in Nigeria within the meaning of sections 16 and 20 of this Bill so as to engender confidence in the Nigerian banking system.

(*b*) giving assistance to insured institutions in the interest of depositors, in case of imminent or actual financial difficulties particularly where suspension of payments is threatened to avoid damage to public confidence in the banking system;

(*c*) guaranteeing payments to depositors in the event of revocation of operating licence of insured institutions or in the case of actual suspension of payments by insured institutions up to the maximum amount as provided for in section 20 of this Bill;

(*d*) assisting monetary authorities in the formulation and implementation of banking policy so as to ensure sound banking practice and fair competition among banks in the country; and

(*e*) pursuing any other measures necessary to achieve the functions of the Corporation provided such measures and actions are not repugnant to the functions of the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 4 stands part of the Bill — **Agreed to.***

Clause 5: (1) Notwithstanding any provision contained in any other law, no person other than the Corporation shall insure deposit liabilities or guarantee payments to depositors of insured banks or such other insured deposit taking financial institutions operating in Nigeria.

(2) Any person who contravenes the provisions of this section commits an offence and is liable on conviction to:

(*a*) in the case of an individual, a fine of ₦100,000.00 or imprisonment for a term not exceeding 5 years or to both such fine and imprisonment;

(*b*) in the case of a corporate body, a fine of ₦500,000.00 for each day the contravention continues (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 5 stands part of the Bill — **Agreed to.***

Clause 6: Head Office.

The Corporation shall have its Head Office in the capital of the Federal Republic of Nigeria and may open offices in any part of Nigeria and appoint agents and correspondents as may be approved by the Board (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 6 stands part of the Bill — ***Agreed to.***

PART II — ADMINISTRATION

Clause 7: Composition of the Board.

(1) The governing body of the Corporation shall be a Board of Directors (hereinafter in this Bill referred to as "the Board")

(2) The Board shall consist of the following members, that is:

(*a*) a Chairman;

(*b*) the Managing Director;

(*c*) two Executive Directors;

(*d*) two representatives of the Central Bank of Nigeria not below the rank of Director, one of whom shall be the Director of Banking Supervision;

(*e*) the Director of Home Finance; and

(*f*) six other members, one from each of the geo-political zones in the country.

(3) The Chairman and Board members referred to above must not be persons who own or control significant interests in any insured institution in Nigeria.

(4) The President of the Federal Republic of Nigeria shall appoint the Chairman and members of the Board referred to in paragraph (*a*), (*b*), (*c*) and (*f*) subject to the confirmation of the Senate.

(5) The Chairman and the six members of the Board appointed under sub-section (2) (*f*) of this Section shall be part-time members.

(6) The members of the Board who shall be citizens of Nigeria, shall possess relevant skills, experience and qualifications.

(7) All members of the Board shall within one month of appointment into the Board declare in writing to the Board their personal share holdings and all significant interests as well as those of their family members or close associates known to them in any insured institution in Nigeria.

(8) The supplementary provisions contained in the Schedule to this Bill shall have effect with respect to matters therein mentioned (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 7 stands part of the Bill — ***Agreed to.***

Clause 8: **Tenure of part-time members.**

The part-time members of the Board shall hold office for a period of four years which is renewable for another period of four years only (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 8 stands part of the Bill — ***Agreed to.***

Clause 9: **Disqualification of Members of the Board.**

(1) Notwithstanding the provisions of this Bill a person shall cease to hold office as a member of the Board if —

(*a*) he becomes bankrupt, suspends payment or compounds with his creditors;

(*b*) he is convicted of a felony or any offence involving dishonesty or fraud; or

(*c*) he becomes of unsound mind, incapable of carrying out his duties;

(*d*) he is guilty of a serious misconduct in relation to his duties;

(*e*) in the case of a person possessing professional qualifications, he is disqualified or suspended other than at his own request from practicing his profession in any part of the world by an order of a competent authority made in that respect;

(*f*) he resigns his appointment by a letter addressed to the President of the Federal Republic of Nigeria, through the Minister of Finance;

(*g*) he is discovered to have significant interest in any insured institution in Nigeria; or

(*h*) he is found to have failed to disclose to the Board his interest or the significant interest of any family member or close associate, known to him in any insured institution at the time of his appointment.

(2) No director or employee of an insured institution under this Bill shall, whilst in office be appointed a Director of the Corporation.

(3) No member of the Board shall be removed for any reasons other than those specified in Subsection (1) and (2) of this Section.

Composition of Interim Management Board .

(4) Whenever the Board is dissolved or its tenure expires, and pending the appointment of a new Board, the Minister shall in consultation with the Governor of Central Bank of Nigeria constitute an Interim Management Board for the Corporation to be made up of the following members:

(*a*) the Permanent Secretary, Ministry of Finance, who shall be the Chairman;

(*b*) the Managing Director;

(*c*) two Executive Directors of the Corporation; and (*d*) two representatives of the Central Bank of Nigeria not below the rank of Director, one of whom shall be the Director of Banking Supervision.

(5) Pending the constitution of the Interim Management Board, the Minister may give directives to the Corporation on matters exercisable by the Board.

Vacancy of Board Membership.

(6) If a part-time member of the Board is disqualified, deceased, resigns or otherwise vacates office before the expiration of his term, the President shall in accordance with section 5 (4) appoint another person from the same geographical zone to fill the vacancy.

Conflicts of Interest.

(7) (*i*) No member of the Board appointed under this Bill shall act as a representative of any commercial, financial, agricultural, industrial or other interests, or receive or accept directions there from in respect of duties to be performed under this Bill.

(*ii*) Every member of the Board shall fully and promptly disclose to the Board any interest, whether personal, commercial, financial, industrial, or other, which he may directly or indirectly hold or be connected with and which becomes the subject of consideration by the Board, and shall excuse himself from any Board deliberations and voting related thereto:

Provided that such an interest, if so disclosed, shall not disqualify such member for the purpose of constituting a quorum.

(*iii*) Every officer and employee of the Corporation shall fully and promptly disclose to the Corporation any material indebtedness or interest, whether personal, commercial, financial, industrial, or otherwise, which he or any dependent member of his family may directly or indirectly incur, hold or be connected with, and any changes related thereto in an insured institution.

(*iv*) No member of the Board, officer or employee of the Corporation shall accept any gift or advantage for himself or on behalf of any person with whom he may have family, business or financial relationship if the acceptance thereof would result in a diminishment of his impartial devotion to his duties under this Bill.

(*v*) Without prejudice to other disciplinary measures under Staff Conditions of Service, any person who contravenes any of the provisions of this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding ₦5,000,000.00 (five million Naira only) or to imprisonment for a term not exceeding five years, or to both (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 9 stands part of the Bill — ***Agreed to.***

Clause 10: The Powers of the Board.

(1) The Board shall have power —

(*a*) to superintend over the affairs of the Corporation;

(*b*) be responsible for the overall policy and administration of the Corporation;

(*c*) to act in the name of the Corporation;

(*d*) to acquire, build, construct, lease offices and other premises for the use of the Corporation;

(*e*) to make, alter and revoke rules, guidelines, circulars, and regulations for carrying on the operations, activities, functions and business of the Corporation under this Bill;

(*f*) to employ and appoint officers, staff and employees who in the opinion of the Board are required for carrying out the functions of the Corporation including the examination of insured institutions;

(*g*) to the exclusion of any other authority, body or person, fix the terms and conditions of service including remuneration and disciplinary procedures and measures of the staff, officers and other employees of the Corporation

(*h*) to advise the Central Bank of Nigeria on the need to close an insured institution if in the opinion of the Board its continued operation will jeopardize the interests of depositors;

(*i*) to serve notice on an insured institution of its intention to remove the institution from its record of insured institutions;

(*j*) to assume, with the prior concurrence of the Central Bank of Nigeria, the management of a failing insured institution;

(*k*) to recommend to the Central of Bank of Nigeria, the removal from office of any officer or director who has committed a violation of any banking legislation including this Bill or any regulations pursuant thereto or has engaged in an unsound practice that may lead to dissipation of assets of, or financial loss to his or her insured institution;

(*l*) to perform the functions of a liquidator or receiver for all failed insured institutions;

(*m*) to extend from time to time the period within which a depositor or other creditor is required under this Bill to file his claim or receive payment of insured deposit or other liquidation dividends in a failed insured institution.

(*n*) to prosecute any person, or an employee, officer or director of an insured institution who has committed any violation of the provisions of this Bill or the failed banks Act or any banking legislation; and

(*o*) to do such other things and enter into such other transactions which in the opinion of the Board are reasonably incidental, supplementary or conducive to the exercise of the powers and performance of the Corporation's functions (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Il[illegible]ral Constituency*).

Question that Clause 10 *stands part of the Bill — **Agreed to.***

Clause 11: **Appointment of the Managing Director and Executive Directors, etc.**

(1) There shall be appointed for the Corporation —

(*a*) a Managing Director, who shall be the Chief Executive of the Corporation and shall be responsible for the day-to-day management of the Corporation, and

(*b*) two Executive Directors who shall perform such duties as may be assigned to them from time to time by the Board or the Managing Director.

(2) Any person appointed as the Managing Director or an Executive Director shall not, while holding that office, hold any other office or be a director in any Corporation, Company or any other establishment without the prior approval of the Board.

(3) The Managing Director and Executive Directors appointed pursuant to the provisions of this section shall hold office for a period of five years and shall be eligible for re appointment for a further period of five years only.

(4) Subject to sub-section (3) of this section, the Managing Director and Executive Directors shall each hold office on such terms and conditions as may be specified in their letters of appointment (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 11 *stands part of the Bill — **Agreed to.***

Clause 12: **Employment of Staff, etc.**

(1) The Board shall appoint a Secretary who shall —

(*a*) be responsible to the Managing Director;

(*b*) keep the Board's records;

(*c*) conduct its correspondence; and

(*d*) perform such other duties as the Board or the Managing Director may from time to time determine.

(2) The Board shall appoint such number of officers and staff as may appear expedient and necessary to the Board for the proper and efficient conduct of the business and functions of the Corporation.

(3) The terms and conditions of service (including remuneration, allowances and pension benefits in accordance with the Pension Reform Act] of the Secretary and other staff of the Corporation shall be as may be determined by the Board to the exclusion of any other authority or person (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 12 *stands part of the Bill — **Agreed to.***

PART III — CAPITAL AND FUNDS OF THE CORPORATION

Clause 13: **Fund of the Corporation.**

(1) The funds managed by the Corporation shall consist of —

(*a*) assessed premiums paid by insured institutions in accordance with this Bill;

(*b*) income from the investments of the Corporation;

(*c*) monies borrowed from any source with the approval of the Board; and

(*d*) monies from any other source as may be approved by the Corporation.

(2) There is hereby established separate Deposit Insurance Funds (DIFs) for each category of insured institutions and for non- interest deposit liabilities of insured institutions to be managed by the Corporation in trust for depositors in which all assessed premiums paid to the Corporation by insured Institutions shall be deposited and which funds the Corporation shall utilize for the benefit of depositors of the respective insured institutions (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 13 *stands part of the Bill* — ***Agreed to.***

Clause 14: **Capital.**

(1) The authorized capital of the Corporation shall be five billion Naira.

(2) On a resolution of the Board, there shall be paid up such amount as shall be subscribed by and paid-up at par in a proportion of 60 per cent and 40 per cent by the Central Bank of Nigeria and the Federal Ministry of Finance.

(3) Notwithstanding the provision of subsection (1) of this section, the authorized capital of the Corporation may be increased by such amount as the Board may be resolution determine from time to time.

(4) On a resolution of the Board the amount subscribed and paid up as stated above shall be refunded to the Central Bank of Nigeria and the Federal Ministry of Finance (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 14 *stands part of the Bill* — ***Agreed to.***

Clause 15: **General Reserve Fund.**

(1) Notwithstanding the provisions of any Act or Law, the Corporation shall establish a General Reserve Fund and shall transfer thereto at the end of each fiscal year its operating surplus for the year in order to cushion the threat posed to the Deposit Insurance Funds by incidence of systemic distress.

(2) Where the reserve fund is more than ten times the authorized capital at the end of the year, 75 per cent of the net operational surplus before tax shall be transferred to the reserve fund, 50 per cent of the remaining amount after tax shall be applied to reduce the annual premium payable by insured banks while the remaining 50 per cent shall be paid to the shareholders.

(3) The net operational surplus of the Corporation for each year shall be determined after meeting all the current expenditure for that year, including budgetary provisions stipulated under the Act and after making such other provisions as the Board may deem fit including depreciation of assets, contribution to staff pension and superannuation funds and all other contingencies (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 15 *stands part of the Bill* — ***Agreed to.***

Clause 16: Bank Account and Investment of Funds of the Corporation.

(1) The Corporation shall have power to invest money not immediately required in Federal Government Securities or in such other securities as the Board may from time to time determine.

(2) The incomes from the money invested as prescribed by subsection (1) of this section shall be credited to the account of the Corporation.

(3) All administrative expenses shall be defrayed out of the income of the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 16 *stands part of the Bill* — ***Agreed to.***

Clause 17: Expenditure.

There shall be chargeable to the Corporation —

(*a*) all expenses incurred on behalf of the Corporation;

(*b*) all refunds of excess assessment;

(*c*) monies required for the payment of funds borrowed by the Corporation;

(*d*) payment to an insured institution which assumes the deposit liability of another insured institution; and

(*e*) payment of insured deposits when the licence of an insured institution is revoked or it has defaulted in payment of its obligations to depositors (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 17 *stands part of the Bill* — ***Agreed to.***

PART IV — DEPOSIT INSURANCE SCHEME

Clause 18: Participating Institutions.

(1) All licensed banks and such other financial institutions in Nigeria engaged in the business of receiving deposits shall be required to insure their deposit liabilities with the Corporation.

(2) Any application to the Central Bank of Nigeria by any depositary institution engaged in the business of receiving deposits for license to do banking business shall be provided to the Corporation by the Central Bank of Nigeria within 30 days of the submission of such application.

(3) The Corporation shall within 30 days of the receipt of such application make its recommendation to the Central Bank of Nigeria.

(4) The Central Bank of Nigeria shall consider the recommendations of the Corporation and issue a Testimonial to the Corporation testifying that the depositary institution has been granted license to carry on banking business which involves the receiving of deposit and stating its findings on the undermentioned factors:

(*i*) the financial history and condition of the depositary institution;

(*ii*) the adequacy of the capital structure of the depositary institution;

(*iii*) the future earnings prospects of the depositary institution;

(*iv*) the general character and fitness of the management of the depositary institution;

(*v*) the risk presented by such depositary institution to the particular Deposit insurance fund for the applicable category of insured institutions or to the non interest deposit liabilities insurance fund;

(*vi*) the convenience and needs of the community to be served by such depositary institution;

(*vii*) the identity and profiles of the core investors of the depository institution.

(5) The Corporation may issue a Certificate of Deposit Guarantee to any licensed bank and such other financial institutions in Nigeria engaged in the business of receiving deposits, upon the Testimonial issued by the CBN as stated above and upon application for insurance of deposit liabilities by such depositary institution and examination by the Corporation following which the deposit liabilities of such depositary institution shall become insured by the Corporation.

(6) Before approving any application for insurance of deposit liabilities, the Corporation shall give consideration to the findings of the CBN on the factors enumerated in 1.3 above and shall determine upon the basis of a thorough examination of such depositary institution that its assets in excess of its capital requirements are adequate to enable it to meet all its liabilities to depositors and other creditors as shown by the books of such depositary institution.

(7) The provisions of this section shall apply to the deposit liabilities of any insured institution that is assumed or taken over by, or merged with that of another insured institution except the resolution or merger was at the instance of the Corporation or in active collaboration with the Corporation.

(8) The Corporation may prescribe regulations for the processing of applications for issuance of Certificate of Deposit Guarantee, including fees payable.

(9) Any licensed bank or such other deposit-taking financial institution which contravenes the provisions of subsection (1) of this section shall be guilty of offence and be liable to a maximum fine of ₦500,000.00 for each day the offence is committed.

(10) All principal officers of such licensed bank or deposit-taking financial institution which contravenes subsection (1) of this section commits an offence and is liable on conviction to a term of imprisonment for 3 years or a fine of not more than ₦5,000,000 (five million Naira) or to both such fine and imprisonment (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 18 *stands part of the Bill* — ***Agreed to.***

Clause 19: Insurable Deposit.

All deposits of a licensed bank or any other financial institution shall be insured with the Corporation and premium paid on such deposits accordingly, with the exception of the following, that is —

(*a*) insider deposits, that is, deposits of staff including directors of the insured institutions;

(*b*) counter-claims from a person who maintains both deposit and loan account, the former serving as a collateral for the loan; or

(*c*) such other deposits as may be specified from time to time by the Board (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 19 *stands part of the Bill* — ***Agreed to.***

Clause 20: Assessment of Insured Institutions and Special Contribution.

(1) Every insured institution being a licensed bank or deposit taking financial institution to which this Bill relates, shall be obliged to pay to the Corporation, a premium which shall not exceed ($^{15}/_{16}$) fifteen sixteenth of one per cent per annum for licensed banks and eight-sixteenth ($^{8}/_{16}$) of one per cent per annum for other deposit-taking financial institutions of the total deposit liabilities standing in its books as at 31st December of the preceding year in the following manner:

(*a*) the deposit liabilities shall be as certified by the approved auditor of the licensed bank or such other deposit-taking financial institution;

(*b*) the certified deposit liabilities shall be forwarded to the Corporation on or before 31st January of every year; and

(*c*) the annual premium shall be payable not later than 2 months from the date of the demand notice.

(2) Notwithstanding the provisions of sub-section 1 of this section, and subject to the approval of the Board, the Corporation shall have the power to vary the rate or basis of assessment of the premium payable to the Corporation by insured institutions or to charge an insured institution or any class of insured institutions premium at a rate or rates which reasonably reflect the risk posed to the Corporation's Deposit Insurance Fund.

(3) The premiums payable under subsection (1) and (2) of this section shall not be chargeable to depositors in any form.

(4) The Corporation shall have power to establish a separate Deposit Insurance Fund (DIF) for each category of insured institution in which all assessed premiums paid shall be deposited and which fund the Corporation shall utilize for the respective insured institutions.

(5) Where the funds of the Corporation are not sufficient for giving assistance to insured institutions within the meaning of section 21 (*b*) of this Bill or otherwise insufficient for implementation of the objects of the Corporation, every participating insured institution or category of insured institution may be obliged without prejudice to subsection (1) and (2) of this section to pay as special contribution out of its profits before tax, a sum equal to its annual premium or such other sum as the Board may require not exceeding 200% of its annual premium on such terms and conditions as the Board may from time to time determine.

(6) Where an insured institution has assumed the deposit liabilities of another insured institution, such deposit liabilities of the other institution shall be added to its own total deposit liability for purpose of assessing its premium payable to the Corporation.

(7) Any premium payable by an insured institution and which remains unpaid for more than three months after a demand notice had been served on such institution, shall attract interest at a rate equivalent to the prevailing Minimum Rediscount Rate (MRR) of the Central Bank of Nigeria (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 20 stands part of the Bill — **Agreed to.***

Clause 21: **Payment of Dividends by Insured Institutions While in Default of Assessment.**

(1) Without prejudice to the provisions of the Banks and Other Financial Institutions Act, 1991 as amended no insured bank shall pay any dividend on its capital stock or on profit declared while it remains in default in the payment of any premium or special contribution obligation due to the Corporation.

(2) The Corporation may recommend to the Central Bank of Nigeria the removal from office of any director, manager, or officer of any insured institution who is responsible for the declaration or payment of any such dividend and the insured institution shall be liable to a fine of 5% of total dividend so declared or paid

(3) Any insured institution in default of assessment shall not have its annual financial statement approved for publication by the CBN (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 21 stands part of the Bill — **Agreed to.***

Clause 22: **Prohibition of Set off.**

No premium due from an insured institution to the Corporation shall be reduced, adjusted or withheld on the basis of any set off or claim that an insured institution may have against the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 22 stands part of the Bill — **Agreed to.***

Clause 23: **Maximum Claim.**

(1) A depositor shall receive from the Corporation as provided under section 2 (1) (*c*) of this Bill, a maximum amount of ₦500,000.00 (five hundred thousand Naira) from the Deposit Insurance Fund of licensed banks and Non-interest deposit liabilities fund or ₦200,000.00 (two hundred thousand Naira) from the Deposit Insurance Fund of other licensed deposit-taking financial institutions in the event of the revocation of operating license of such insured institution or actual suspension of payment to depositors of such insured institution.

(2) Notwithstanding the provisions of sub-section (1) of this Section and subject to the approval of the Board, the Corporation shall have power from time to time to vary upwards the maximum amount which a depositor shall receive from the Corporation as provided under sub-section (1) of this Bill in respect of deposits of insured institutions.

(3) For the purpose of subsection (1) of this section, all accounts held in the same right and capacity in one insured institution shall be merged as one account.

(4) The payment of the insured sum as provided for under this section shall be without prejudice to the liquidation dividends to be paid to the depositor once the assets of the failed insured institution has been realized (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 23 stands part of the Bill — ***Agreed to.***

Clause 24: **Right to set-off guarantor's deposit.**

The Corporation shall have the power to set-off a loan owed by a debtor of a failed or failing insured institution against the deposit of such debtor or his guarantor held in the same bank in respect of all proven liabilities due from the debtor to the insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 24 stands part of the Bill — ***Agreed to.***

Clause 25: **Payment of Insured Deposit.**

(1) Payment of the insured deposit in an insured institution shall be made by the Corporation —

(*a*) within 30 days of the Corporation becoming the liquidator of such insured institution where the licence of that institution is revoked and the Central Bank of Nigeria shall notify the Corporation of its intention to revoke the license of any particular insured institution not less than 21 days before such revocation is to be effected; or

(*b*) with the concurrence of CBN, within 30 days, where due to its insolvent status, the insured institution has suspended payment or is otherwise unable to meet its obligation to any depositor for a period of 90 days, either by:

(*a*) cash, negotiable instrument or;

(*b*) making available to each depositor a transferred deposit in another insured institution in an amount equal to the insured deposit of such depositor. Provided that where the Corporation is:

(*i*) liable to make payment in pursuance of this section, it shall, at its discretion, require proof of claim from all depositors with the insured institution; and

(*ii*) not satisfied as to the validity of a claim for an insured deposit, it may require the final determination by a court of competent jurisdiction before paying such claim.

(2) The Corporation upon the payment of any depositor as provided in subsection (1) of this section shall be subrogated to all rights of the depositor against the failed insured institution to the extent of such payment; and such subrogation shall include the right on the part of the Corporation to receive the same dividends from the proceeds of the assets of such failed insured institution and recoveries on account of shareholder's liabilities as would have been payable to the depositor for any uninsured portion of his deposit.

(3) Not later than 90 days after the failure of an insured institution, the Corporation, if it finds that it is advisable in the interest of the depositors or the public, shall appoint another insured institution to assume the insured deposits of the failed insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 25 stands part of the Bill — **Agreed to.***

Clause 26: Power to Withhold Deposits/Discharge of Corporation.

(1) The Corporation shall have power to withhold pending the determination of culpability or otherwise by a tribunal or court of competent jurisdiction, the payment of insured and excess uninsured deposit claims obtained through or being used in connection with or held in furtherance of criminal activities or where it is satisfied that the depositor had connived with the failed insured institution's officials or had been a party to or had knowingly benefited from the circumstances which gave rise to the failure of an insured institution.

(2) The Corporation may withhold payment of such portion of the insured deposit of any depositor in a failed insured institution as may be required to provide for the payment of any liability of such depositor to the failed insured institution or its liquidator/receiver, pending the determination and payment of such liability by such depositor or any other person liable thereof.

(3) Payment of an insured deposit to any person by the Corporation shall discharge the Corporation, and payment of a transferred deposit to any person by an insured institution in which a transferred deposit has been made available shall discharge the Corporation and such other insured institution, to the same extent that payment to such person by the failed institution would have discharged it from liability from the insured institution.

(4) If, after the Corporation shall have given at least three months notice to pay to every depositor by mailing a copy thereof to his last known address appearing in the records of the failed insured institution, and publish a general notice in at least two National Dailies and two electronic media houses with national coverage, notifying insured depositors of the particular failed insured institution of the dates and venue for payment any depositor of the failed insured institution who —

(*a*) fails to claim his insured deposit from the Corporation within six years after the Notice of the corporation has been sent to the depositor and the notice of payment to depositors is published in two National Dailies and electronic media houses, shall forfeit such sums to the Corporation ; or

(*b*) fails within such period to claim or arrange to continue the transferred deposit with the new insured institution, all the rights of the depositor against the failed insured institution or its shareholders or the receivership estate to which the corporation may have become subrogated shall thereupon revert to the Corporation.

(5) The amount of any transferred deposits not claimed within the period stated in subsection (4) (*b*) of this section shall be refunded to the Corporation.

(6) No Court proceedings shall be commenced against the Corporation in respect of the obligation of the Corporation to make any payment in relation to any deposit held by any person in any failed insured bank or financial institution after the expiration of the period stipulated in subsection 4 of this section or any extension that may be granted under Section 7 (*k*) of this Bill (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 26 stands part of the Bill — **Agreed to.***

Clause 27: Interim dividend payment.

The Corporation may after payment of insured deposits make interim deposit payments in regard to claim of depositors of closed insured institutions that comply with the following conditions:

(*a*) the net Realizable value of the assets of the closed insured institution can be reasonably estimated;

(*b*) the estimated amount of the interim dividends and the interest at a rate to be determined by the Corporation but in any event not more than the prevailing interbank rate can be fully reimbursed by the estimated net realizable value of the assets.

(*c*) the closed insured institution has no severe embezzlements or other significant fraud or other abuses whose losses are difficult to determine.

(*d*) the amount of the interim dividend payment to be made by the Corporation shall not exceed 30% of the total excess uninsured deposit claim of any closed insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 27 stands part of the Bill — **Agreed to.***

PART V — NOTICE OF TERMINATION OF INSURED STATUS

Clause 28: Grievous Violation of Obligations.

(1) Whenever it appears to the Corporation that an insured institution or its directors or officers have committed a grievous violation of its obligation under this Bill or have continued to conduct the business of the insured institution —

(*a*) in an unsound manner;

(*b*) intentionally or negligently permit any of the officers or agents of the insured institution to violate any provisions of any law or regulation to which an insured institution is subject, the Corporation shall serve on the Board of the insured institution a warning notice stating that where the unsound practice continues, the name of the insured institution shall be removed from the register of the insured institutions and a copy of such warning notice forwarded to the Central Bank of Nigeria.

(2) It shall be deemed a grievous violation of obligation under this Bill where an insured institution —

(*a*) persistently suffers liquidity deficiency;

(*b*) persistently contravenes the provisions of any legislation or regulation relating to banking, economic and financial crimes;

(*c*) makes incomplete or incorrect statements to the Corporation;

(*d*) is in default with the payment of its annual premium or special contribution as provided in section 17 of this Bill;

(*e*) habitually fails to render returns to the Corporation or does not submit upon request such other information for the efficient performance of the function of the Corporation

(*f*) makes incorrect statement to the Corporation as regards customers deposits it has insured

(*g*) fails to make adequate provisions for bad and doubtful debts up to the amount recommended by the supervisory authorities or pays dividends in defiance of this provision; or

(*h*) fails to write off bad debts as may be recommended by the supervisory authorities.

(3) The Corporation shall before terminating the insured status of any insured institution, consider and apply corrective measure in accordance with the provisions of Section 32 of this Bill (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 28 *stands part of the Bill* — ***Agreed to.***

Clause 29: Conditions for Termination.

(1) Where the insured institution fails within reasonable time to make amends, the Board shall —

(a) give to the institution not less than 30 days written notice of its intention to terminate the insured status of the institution:

(b) fix a time and place of hearing before a person designated by the Board to conduct the hearing at which evidence may be produced and upon such evidence the Board shall make its findings which shall be final.

(2) Where the insured institution is not represented or does not make any representation to the Corporation pursuant to subsection (1) (*b*) of this section or if the Corporation does not favourably consider such representation made, the Corporation may proceed to terminate the insured status of the institution and shall inform the Central Bank of Nigeria accordingly (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 29 stands part of the Bill — ***Agreed to.***

Clause 30: Procedure for Termination of Insured Status.

(1) Where the Board is satisfied that an insured institution is in grievous violation of its obligation under this Bill, it shall terminate the insured status of the institution.

(2) The Corporation shall cause a notice of termination to be published in at least three National Dailies.

(3) Where the participation of an insured institution in the Deposit insurance scheme is terminated, the Corporation shall immediately cause a notice of such termination to be published in not less than three National Newspapers, to the depositors and other creditors to whom liabilities are owed and in furtherance thereto, bring the consequences of such termination to their notice

(4) After the termination of the status of an insured institution under this Bill, the insured deposit of each depositor in the institution on the date of its termination, less all subsequent withdrawals from the deposits of such depositor, shall continue to be covered for another period of one year, and thereafter, such deposits shall cease to be covered.

(5) The Corporation shall not insure any additions to any deposits specified in subsection (4) of this section or any new deposits in the institution made after the date of termination of its status as an insured institution and the institution shall not advertise for deposits or hold itself out as having its deposits insured by the Corporation.

(6) The Central Bank of Nigeria may revoke the licence of any insured institution whose insured status has been terminated by the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 30 stands part of the Bill — ***Agreed to.***

Clause 31: Conditions for Participation after Termination.

(1) An insured institution whose insured status is terminated in accordance with this Bill but whose licence has not been revoked by the CBN may re-apply to participate in the scheme after it has satisfied all the conditions required of it by the Board particularly after the Board had given consideration to the following:

(*a*) the institution's financial position and its general operational practice had improved satisfactorily since the termination order became effective;

(*b*) the grounds for which the institution's participation in the Deposit insurance scheme was terminated have been remedied; and

(*c*) the future earnings prospects and general character of its management are satisfactory (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 31 *stands part of the Bill* — ***Agreed to.***

PART VI — SUPERVISION OF INSURED INSTITUTIONS

Clause 32: Power of the Corporation to Require Information.

(1) Every insured institution shall submit to the Corporation such returns and information as may be required from time to time within the stipulated period.

(2) Any insured institution which fails to comply with the provisions of subsection (1) of this section shall be guilty of an offence under this Bill and shall be liable to a fine of ₦500,000.00 and thereafter ₦100,000.00 for each day during which the offence continues, counting from the day immediately after the date of failure to make such return.

(3) In addition to the powers conferred on it under this Bill, the Corporation may require persons having access thereto, at all reasonable times to supply to it information, in such form as the Corporation may from time to time direct, relating to, or touching on or concerning matters affecting the interest of depositors of insured institutions.

(4) Where any person lawfully required to supply information necessary to achieve the objective and purpose of the Corporation-

(*a*) supplies any information which he knows to be false or supplies it recklessly as to its truth or falsity; or

(*b*) without reasonable excuse, fails to supply any information required by the Corporation, commits an offence, and is liable on conviction to a fine not exceeding ₦500,000.00 for every such report.

Supervision of Related Entities of Insured Institutions.

(5) The Corporation under the auspices of Financial Services Regulation and Coordinating Committee (FSRCC) may obtain information from the relevant sector regulator regarding the activities of a regulated entity under its purview relating to transactions with an insured institution

(6) Any holding company of any insured institution, any subsidiary, or affiliate or associated company of any insured institution, or any directors or officers of any such holding company, subsidiary, affiliate or associated company, that provide information that is false, misleading, inaccurate, or incomplete or that fail to comply with any requirement to provide information under this Bill shall be guilty of an offence and on conviction liable to imprisonment for a term of not less than 5 years or to a fine of not less than one hundred million Naira or to both such fine and imprisonment.

(7) Where an insured institution is deemed to be threatened with insolvency on the basis of data submitted under (5), the Corporation may under the auspices of Financial Services Regulation and Coordinating Committee[FSRCC]) investigate the business and the financial status of the subsidiaries, affiliates and associated companies of the insured institution

(8) The Corporation may require any person, depositor, customer, creditor or organization which had transaction with or related to a failing or failed insured institution to provide information on such transaction to determine whether or not such transaction contributed to the insolvency or failure of the insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 32 *stands part of the Bill* — ***Agreed to.***

Clause 33: Appointment of Examiners.

The Board shall have power to appoint on the recommendation of the Managing Director such number of examiners who shall —

(*a*) be officers of the Corporation with powers to examine periodically, and under conditions of secrecy, the books and affairs of every insured institution;

(*b*) have a right of access at all times to the books, accounts and vouchers of the insured institution including its management information system;

(*c*) be entitled to require and obtain information and explanations from the officers and directors of an insured institution as may be deemed necessary in the performance of their duties; and

(*d*) have access to any accounts, returns and information with respect to any insured institution under the provisions of this Bill, which are in the possession of the Central Bank of Nigeria (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 33 *stands part of the Bill* — ***Agreed to.***

Clause 34: Functions of Examiners.

(1) In the exercise of the functions of an examiner appointed pursuant to section 28 (1) of this Bill, the examiner shall exercise reasonable care to prevent unreasonable hindrance to the day-to-day activities of an insured institution and confine the investigation to matters of fact and data deemed necessary for the examination.

(2) An insured institution shall produce to the examiner as and when required, all books, accounts, documents, and such other information as the examiner may deem necessary or request in the exercise of his functions.

(3) It shall be an offence under this Bill for an insured institution, its directors and officers to —

(a) wilfully refuse to produce any book, account, document or such other information; or

(b) negligently, willfully or with intent to defraud gives information which is false in any material particular.

(4) A person who commits an offence under this section shall be liable on conviction —

(a) in the case of an offence against subsection (3) (a) of this section, to a fine of ₦20,000 (twenty thousand Naira) per day that he withholds the information ,document, book or account and the insured institution to a fine of not more than ₦500,000 for every day that the said information, document or book of account was withheld; or

(b) in the case of an offence against subsection (3) (b) of this section, the director or officer involved to a maximum imprisonment of 3 years or a maximum fine not exceeding ₦1,000,000.00 or to both such fine and imprisonment.

(5) An examiner shall forward a report of his findings to the Managing Director of the Corporation who shall thereon present the report to the Board and advice it of any circumstances in which the Board may exercise any of its powers under the provisions of Section 7 or 30 of this Bill (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 34 *stands part of the Bill* — ***Agreed to.***

Clause 35: Special Examination.

(1) The Management of the Corporation may at any time appoint two or more qualified persons to conduct a special examination of the books and affairs of an insured institution under conditions of secrecy where the Management is of the opinion that an insured institution may —

(a) be carrying on business in a manner detrimental to the interest of its depositors and creditors;

(b) have insufficient assets to cover its liabilities to the public; or

(c) be contravening the provisions of this Bill.

(2) Where an insured institution deems that it is —

(a) likely to become unable to meet its obligations; or

(b) about to suspend payments the insured institution shall cause the Corporation to be informed accordingly of its intention to do so.

(3) Any insured institution which contravenes the provisions of subsection (2) of this section is liable on conviction to a fine of ₦5,000,000.00 and any director whose responsibility it was to inform the Corporation shall be personally liable to a fine of ₦5,000,000.00 in addition to any other sanction that may be imposed on such director (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 35 stands part of the Bill — **Agreed to.***

Clause 36: **Report of Examination.**

(1) After the conclusion of any examination under the provisions of this Bill, the Corporation shall forward a copy of the report arising there from together with its recommendations to the Chairman and the Managing Director of the insured institution concerned with instruction that it be presented by the Management of that institution to their Board of Directors at a meeting specially convened within one month of receiving the report for the purpose of considering the report and implementing the recommendations contained therein.

(2) The Insured Institution shall within two weeks of the presentation to its Board of Directors convey to the Corporation the Board of Director's reaction to the report and proposals for implementation of the recommendations.

(3) Without prejudice to the provisions of Sections 23 and 56 of this Bill, where an insured institution fails to implement the recommendations contained in the report of examination after it had been warned by the Corporation, or where circumstances exist where the Corporation should impose further prompt corrective actions pursuant to the provisions of Section 32 of this Bill, the Corporation shall recommend to CBN which shall act within 30 (thirty) days failing which the Corporation may act, as follows:

(*i*) the removal or suspension from office, of any director, officer or employee found liable by the Corporation for either non-implementation of Examiners' recommendation or the circumstances that necessitated imposition of corrective action.

(*ii*) to Issue an order blacklisting any director, officer or employee found liable under paragraph [i] above and the director, officer or employee blacklisted shall not be qualified for employment in any capacity in an insured institution until the Corporation withdraws the order.

(*iii*) every Report of Examination of an Insured institution issued by the Corporation shall be Secret and Confidential and no person or authority shall have right of access or production of such Report under any law except the staff of the Insured institution, Corporation or CBN, provided that:

(*a*) where a superior Court of record issues a Subpoena duces tecum for its production in court in any civil or criminal proceedings before that court on the application of any person or *sui moto*, the Court shall on the application of the Corporation admit only Certified True Copies of the relevant extract of the report certified by the Secretary tom the Corporation in proceedings held in chambers or under conditions of secrecy and confidentiality, or

(*b*) the Corporation may at its discretion tender the report in court in proceedings held in chambers or under conditions of secrecy and confidentiality;

(*c*) where the insured institution has failed or its license has been revoked the status of the Report as a 'classified matter' as defined under the Official Secrets Act, shall lapse and the report of examination can be tendered in open court (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 36 *stands part of the Bill* — ***Agreed to.***

Clause 37: Prompt Corrective Action.

(1) Without prejudice to the provisions of this Bill, whereupon the examination by the Corporation as to the condition of any insured institution, it shall be disclosed that:

(*a*) an insured institution or its directors or staff have engaged, are engaging or are about to engage in unsafe and unsound practices in conducting the business of the institution;

(*b*) or have violated or are violating any provision of any law or regulation to which the insured institution is subject; and

(*c*) where such violation may lead to insolvency or dissipation of the assets of the insured institution, the Corporation shall submit the report of the examination to the management of the bank with specific directives to address the situation by taking corrective measures.

(2) If such corrective action is not fully implemented within (30) days from the submission of the report, or any other time given, the Corporation shall in consultation with the Central Bank of Nigeria initiate such further corrective actions as it may deem necessary to redress the situation.

(3) Where the Corporation makes any recommendation to the Central Bank of Nigeria to take any action in respect of an insured institution pursuant to any of the provisions of this Bill; such recommendation shall be in writing.

(4) If the Central Bank of Nigeria does not, within 30 days of the date of receipt of such recommendation under clause (3) above;

(*a*) take the action recommended by the Corporation, or;

(*b*) provide a plan acceptable to the Corporation for responding to the situation presented;

the Corporation shall take the recommended action (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 37 *stands part of the Bill* — ***Agreed to.***

PART VII — DUTIES OF INSURED INSTITUTIONS

Clause 38: **Fidelity Insurance.**

All insured institutions shall have fidelity insurance coverage up to such level as may be prescribed from time to time by the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 38 *stands part of the Bill* — ***Agreed to.***

Clause 39: **Obligations in Respect of Unauthorized Disclosure.**

(1) The members of Board, staff and agents of an insured institution shall keep strictly confidential and make no unauthorized disclosure or use of any information which they may either directly or indirectly receive in such capacity of the activities of an insured institution and the result thereof of the Corporation and of the circumstance of the participating insured institution and their customers, even after they cease to be members or staff or agents of that insured institution.

(2) The obligation specified in subsection (1) of this section is also hereby imposed upon directors, employees of and any agent or other persons engaged by the Corporation.

(3) The provisions of subsection (1) of this section shall not apply to communications made to the Corporation, the Central Bank of Nigeria, external auditors of the insured institution the Bankers Committee or the Federal Ministry of Finance in connection with the purposes of the Corporation.

(4) The provisions of subsection (1) of this section shall not apply to communications in connection with the admission or exclusion of an insured institution from the Deposit Insurance Fund (DIF).

(5) An insured Institution or its directors or officers shall be obliged to comply fully to the satisfaction of the Corporation with any directives issued to it by the Corporation following investigation conducted as a result of any complaints lodged by depositors of such institution and any insured institution, or officer, director or employee of an insured institution who fails to comply fully to the satisfaction of the Corporation with any directives issued to it by the Corporation shall be guilty of an offence under this Bill.

(6) The Corporation shall have power to summon in writing any person, customer, shareholder, promoter, contributory, officer, director or employee of an insured institution who in the opinion of the Corporation is in a position to testify to any matter being investigated by the Corporation to give testimony in the matter and provide documents, where necessary and any person, customer, shareholder, promoter, contributory, officer, director or employee or employee of an insured institution who fails to appear when so summoned shall be guilty of an offence under this Bill.

(7) Any person customer, shareholder, promoter, contributory, officer, director or employee of an insured institution who Is found guilty of an offence under this section shall on conviction be liable to a fine of ₦1,000,000.00 or to imprisonment for a term of 3 years. or to both such fine and imprisonment.

Managing Insured Deposits.

(8) The deposits of insured institutions shall not be applied for the following:

(*a*) acquisition of real estate, or physical assets;

(*b*) investment in subsidiaries;

(*c*) creation of prohibited risk assets;

(*d*) any other purpose prohibited by the corporation.

(9) The deposits of insured institutions shall be applied only for the prudent creation of risk assets that are not prohibited under this Bill and in accordance with the guidelines of the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 39 *stands part of the Bill* — ***Agreed to.***

Clause 40: Returns on Frauds and Forgeries.

An insured institution shall render to the Corporation, monthly returns of frauds, forgeries or outright theft occurring during such month and shall include a detailed report of such events (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 40 *stands part of the Bill* — ***Agreed to.***

Clause 41: Notification to the Corporation of Dismissed Staff and Employment of Dismissed Staff.

(1) An insured institution shall notify the Corporation of any staff dismissed, terminated or advised to retire on the ground of fraud or financial malpractice.

(2) The persons affected under subsection (1) of this section shall not be employed in an insured institution without the insured institution first notifying the Corporation.

(3) Any insured institution, which acts in contravention of any of the provisions of subsection (1) and (2) of this section shall be liable to a fine of ₦5,000,000.00 (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 41 *stands part of the Bill* — ***Agreed to.***

Clause 42: Restriction on Mortgage of Assets.

(1) No failing or failed insured institution shall mortgage pledge, sell or dispose of any land, building or interest in any real property belonging to the Insured Institution without first obtaining the consent of the Corporation.

(2) Any mortgage, pledge, sale or disposal in contravention of section 36A (1) of this Bill shall be void without any discretion and in addition any Director or Officer of such institution who approved, is involved or in any way participated in such contravention shall be guilty of an offence and on conviction liable to pay a fine of not less than ₦5 million or 3 years imprisonment or both such fine and imprisonment (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 42 stands part of the Bill — Agreed to.

Clause 43: **Foreclosure of Mortgages.**

(1) Every insured institution shall, with respect to loan facilities –

(*a*) secured by legal or equitable mortgage on real property, within such period as the Corporation may direct, register the mortgage with the Registrar of the Federal High Court within the jurisdiction where the property is located;

(*b*) secured by legal or equitable mortgage or any other security interest on a moveable property, within such period as the Corporation may direct, register the mortgage or any other security interest with any other registry established for the registration of security interest in moveable property, and a certificate evidencing such registration shall be filed with the Corporation

(2) Any Director or Officer of any insured institution who failed, refused or neglected to register any mortgage in contravention of Section 43 (1) of this Bill, shall be guilty of an offence and on conviction liable to pay a fine of not less than ₦5 million or 3 years imprisonment or both such fine and imprisonment.

(3) Notwithstanding the provisions of any law or contract or deed to the contrary where the Corporation or the Central Bank of Nigeria has classified the loan facility secured by such registered mortgage or any other form of security registered under subsection (1) of this Section as "past due" or "lost" under the Prudential Guidelines issued for licenced banks by the CBN for licensed banks and the borrower who has been served a 14 days' notice to redeem the security by the insured institution or the Corporation, where the insured institution is failing or has failed, has neglected, refused or failed to redeem the security by payment of all sums as follows:

(*a*) the insured institution or the Corporation where the Insured institution is failing or has failed shall file in the Federal High Court where the mortgage is registered, a Motion to Foreclose supported by an affidavit stating forth the grounds upon which the Order for foreclosure Is sought and stating that the Loan facility has been classified past due or lost, as the case may be, by the relevant regulatory authority and that the Mortgagor has failed, refused or neglected to redeem the mortgage despite being served with the 7 days notice to redeem which has expired and attaching thereto the certificate of registration of the Mortgage and a Report of Valuation on the property by an Estate Surveyor registered with the Nigeria Institute of Estate Surveyors and Values (NIESV) and the judge shall enter the action for hearing in what shall be called the "Foreclosure List".

(*b*) except where a Motion to Foreclose is filed pursuant to a counter claim by the insured institution or the Corporation where the Insured institution is failing or has failed, every Motion to Foreclose originating the action shall contain the return date and shall be delivered to the Register for service in as many copies as shall be required by the registrar.

(c) the Mortgagor upon personal service on him of the Motion to Foreclose or through counsel or by substituted service with the leave of the court, shall within 5 days of such service, file a counter affidavit admitting the debt or a part thereof or denying the debt outstanding and stating the facts upon which he seeks a decision of the Court on the matter.

(d) on the return date, the Court shall where the Mortgagor neglects to file a counter affidavit after reviewing the affidavit evidence or where the Mortgagor files a counter affidavit, after reviewing the affidavit and counter affidavit evidence, give judgment by an order of foreclosure of the Mortgage and directing disposal of the Mortgage property by public auction or private treaty at a price not below the Forced Sale Value disclosed in the Valuation Report to liquidate the judgment sum, where the Court is satisfied that the Mortgage was duly registered and has not been redeemed or the Court may make any other orders including judgment for a part only of the outstanding sum on the mortgage and admitting the balance to proof by any other evidence with or without an order to foreclose on the mortgage, or decline to make an order of foreclosure of the Mortgage or strike out or dismiss the Motion to Foreclose or make any other order as the court deems fit in the circumstances.

(e) the Court may call for oral evidence and or address by counsel where it feels so compelled but shall not make any interlocutory orders relating or touching upon the loan facility or the Mortgage at any stage of the proceeding until judgment.

(f) an appeal against the judgment of the court shall lie as of right to the Court of Appeal and where the judgment of the Court is for an order to Foreclose, the right to appeal shall not be exercisable except upon payment into court by the Mortgagor /Appellant of the total judgment sum premised on the order of foreclosure including interest thereof and no court of law shall have jurisdiction to order stay of execution of any order to Fore close issued by the Court under this Bill.

(g) in case of any conflict between the above provisions and the rules of the Federal High court, or any other Court, or of any law, the above provisions shall apply (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 43 *stands part of the Bill* — ***Agreed to.***

PART VIII — FAILURE RESOLUTION OF INSURED INSTITUTIONS

Clause 44: **Policy Objectives on Failure Resolution.**

The failure resolution mechanism to be adopted by the Corporation to address the problems of a failing or failed insured institution shall be any or a combination of any of the options listed hereunder without prejudice to any other options that the Corporation may adopt pursuant to any other law enabling it on that behalf and the Corporation may be guided by the following factors, amongst some other factors which the Corporation may determine from time to time, when adopting a failure resolution mechanism, provided that the option adopted is in the best interest of the financial system in particular and the economy of the federation, in general:

(*a*) minimization of financial and economic costs as well as contagion risks;

(*b*) ensure a minimum level of protection to depositors, in particular the small uninformed and less sophisticated depositors;

(*c*) no bail out of shareholders;

(*d*) the size of the bank, extent of the distress, policy of Government and whether the problem is Systemic or localized; and

(*e*) implementation in a timely and transparent manner (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 44 *stands part of the Bill* — ***Agreed to.***

Clause 45: Financial Assistance.

(1) Pursuant to Section 2 (1) (*b*) of this Bill, the Corporation shall at the request of an insured institution and under such conditions as may be specified by the Corporation assist the insured institution if the Corporation determines —

(*a*) the insured institution has difficulty to meet its obligations to its depositors and other creditors;

(*b*) the insured institution persistently suffers liquidity deficiency;

(*c*) the insured institution has accumulated losses which have nearly or completely eroded the shareholders fund; or

(*d*) that such assistance is required to resolve the failure of an insured institution.

(2) The Corporation may take one or a combination of any of the following action to provide liquidity support to assist an insured institution:

(*a*) grant loans on such terms as may be agreed upon by the Corporation and the insured institution;

(*b*) give guarantee for a loan taken by the insured institution;

(*c*) accept an accommodation bill with interest for a period not exceeding 90 days maturity exclusive of days of grace and subject to renewals of not more than seven times;

(*d*) purchase the equity and or such assets and or assume any such liabilities of the insured institution.

(*e*) issue bonds, certificates, debentures, debt instruments and other securities to purchase or assume such assets, equity or liabilities of the insured institution;

(*f*) take or carry out any other measure to provide financial assistance to the insured institutions:

Provided that interest rates applicable to facilities extended to the failing institution shall not exceed the Minimum Rediscount Rate of the Central Bank of Nigeria.

Insured Institutions Resolution Fund.

(3) The Corporation shall establish a Fund to be referred to as Insured Institution Resolution Fund [IIRF] which shall be funded through annual budgetary provision of not more than 25% of the budgeted income for each year for the purpose of implementing the provision of this Bill (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 45 stands part of the Bill — ***Agreed to.***

Clause 46: **Technical Assistance.**

(1) The Corporation in consultation with the CBN may:

(*a*) assume control of the insured institution as Conservator and take over its management;

(*b*) change management of the insured institution by directing specific changes to be made to the Management;

(*c*) appoint new Management;

(*d*) remove management within such time and in such manner as the Corporation may direct from time to time;

(*e*) replace Management with supervisory officials;

(*f*) impose Holding Actions, , direct the insured institution and its directors to carry out specified actions or refrain from doing certain actions;

(*g*) carry out organizational and operational changes including staff rationalization requiring shareholders to recapitalize the bank, shutting down of some branches, sale of subsidiaries or other business units, downsizing, rightsizing, appointment of consultants, writing off certain assets, applying debt to equity swaps, consideration of certain securities and instruments as capital; employment of bail- in measures, write down of capital;

(*h*) take any other measures to restructure the insured institution

Mergers and Acquisitions.

(2) The Corporation in consultation with the CBN may:

(*a*) merge, facilitate or induce a merger of a failing or failed insured institution with another healthy insured institution

(*b*) facilitate or induce the Acquisition of a failing or failed insured institution by another healthy insured institution.

(*c*) restructure an insured institution through acquisition, management and disposal of the equity or the assets or the liabilities of the failing or failed insured institution either directly, indirectly through or by another insured institution or an asset management firm.

Purchase and Assumption.

(3) The Corporation in consultation with the Central Bank of Nigeria may undertake a purchase of assets and assumption of liabilities transaction with respect to a failing or failed insured institution as follows:

(*a*) the Corporation shall have power to charge, dispose, transfer or alienate all or some of the assets of a failing or failed institutions to a healthy insured institution;

(*b*) the Corporation may advance to or receive from the assuming institution an amount equal to the difference between the assumed liabilities and the transferred or purchased assets;

(*c*) the assets of the failing or failed insured institution shall be transferred or purchased by a healthy insured institution in consideration of the assumption of all or some of the liabilities of the failing or failed insured institution;

(*d*) the Corporation may receive such assets from the failing or failed insured institution as collateral for any advance to the assuming institution or purchase the assets from the failing or failed insured institution and any asset [including land] of the failing or failed institution shall be transferred or be vested in the assuming institution or the Corporation.

Acquisition of Insured Institution whose capital is lost.

(4) (*i*) The Corporation in consultation with the Central Bank of Nigeria shall have power to acquire a failing or failed insured institution whose paid up capital is lost or unrepresented by available assets for a nominal consideration of one naira only by an Order published in the Official Gazette.

(*ii*) The acquired insured institution shall from the date stated in the Official Gazette belong to the Corporation which shall hold same in trust for the depositors and other creditors of the insured institution.

(*iii*) The Corporation may restructure the acquired institution for sale to suitable investors and or wind up and liquidate the insured institution.

(*iv*) Where the Corporation has acquired or is in the process of the acquisition of an insured institution as part of efforts to resolve the distress condition of such institution, any court order, declaration or injunction to restrain or nullify such acquisition shall be void provided that an order as to damages may be issued where the court makes a finding of *mala fide* against the Corporation

(5) The Corporation may take such other measures that are reasonably necessary for resolution of a failing or failed insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 46 stands part of the Bill — Agreed to.

Clause 47: **The Corporation as Conservator.**

(1) Notwithstanding the provisions of the Companies and Allied Matters Act or any other enactment, where the Corporation has assumed the management and control of a failing or undercapitalized insured institution pursuant to the provisions of this Bill or the BOFIA, the Corporation in consultation with the Central Bank of Nigeria may:

(*i*) exercise all the powers and privileges conferred on the Corporation under this Bill and any other legislation as may be considered appropriate by the Corporation.

(*ii*) have power to inject equity into the insured institution or invite eligible investors to inject equity on such terms as the Corporation may determine.

(*iii*) merge the failing or undercapitalized insured institution with another insured institution or transfer all or part of the assets or all or part of the liability of such failing or undercapitalized insure institution with another insured institution

(*iv*) take such action as may be:

(*a*) necessary to put the insured institution in a sound and solvent condition,

(*b*) appropriate to carry on the business of the institution and preserve and conserve its assets and properties:

(*v*) the Corporation as conservator may place the insured institution in Liquidation and proceed to realize upon the assets of the institution as liquidator under this Bill

(2) Where the Corporation has commenced resolution of a failing or failed insured institution, any Court order, Declaration or injunction against the Insured institution, the Corporation or any officer of the insured institution or the Corporation that has the effect of restraining, preventing or hindering the Corporation's measures to resolve the failing or failed insured institution shall be null and void.

(3) Where the Corporation has assumed control of an insured institution pursuant to the provision of this Bill or BOFIA, no action, suit or proceedings shall be proceeded with or commenced against such insured institution or the Corporation except by the leave of Court given on such terms as the Court may impose.

(4) Where the Corporation has assumed control of an insured institution in its capacity as conservator or liquidator any garnishee order Nisi or Absolute or attachment, sequestration, distress or execution put in force against the bank account or estate or effects of any insured institution or the Corporation in respect of any judgment debt or other liabilities owed by such insured institution or any other judgment debtor shall be null, void and of no effect.

(6) The Corporation when acting as Conservator of an insured institution shall have and exercise all the powers and privileges conferred on it as Liquidator.

90 Day Notice.

(7) (*i*) Where the Corporation or the CBN determines that an insured institution is Critically Undercapitalized, i.e. its capital to risk weighted assets ratio is above two percent but below five percent, the CBN or the Corporation shall serve on such insured institution NOTICE to recapitalize to the prescribed minimum regulatory capital within 90 days failing which such institution shall have its banking licence revoked by the CBN or be under liquidation by the Corporation.

(*ii*) Where the insured institution does not recapitalize to the prescribed minimum regulatory capital within 90 days as required, to the satisfaction of the Corporation or the CBN, the CBN shall revoke the banking licence of the institution or the Corporation shall assume capacity as liquidator of the insured institution in accordance with this Bill.

(*iii*) Notwithstanding the issuance of a 90 day Notice to an insured institution pursuant to the provisions of this Bill, the CBN or the Corporation shall have power to carry out Prompt Corrective Action in respect of such insured institution including the authority to exercise any of the powers conferred under this Bill or any other law .

(*iv*) Any order or injunction of any court restraining the issuance of a 90 Day Notice or reversing the revocation of the operating licence of any insured institution shall be void, null and of no effect (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 47 *stands part of the Bill* — ***Agreed to.***

Clause 48: Bridge Banks.

(1) The Corporation in consultation with the Central Bank of Nigeria, may organize and incorporate, and the Central Bank shall issue banking license to one or more banks, to be referred to as bridge banks which shall be insured institutions to assume such deposits and or liabilities, and shall purchase such assets of a failing or failed insured institution and perform any other function or business as the Corporation may, determine.

(2) The Corporation shall appoint, remove and fix the remuneration of the Board of Directors and Management of the bridge bank.

(3) Notwithstanding the provisions of the Companies and Allied Matters Act, the Central Bank of Nigeria Act, the Banks and Other Financial Institutions Act or any other law, the bridge bank shall not be subject to any requirement relating to issued or paid up capital, and the Corporation may make available to the bridge bank, upon such terms and condition, and in such form and amounts, as the Corporation may determine, funds for the operation of the bridge bank.

(4) The Central Bank of Nigeria, the Corporate Affairs Commission, the Securities and Exchange Commission, the Nigerian Stock Exchange and any other Regulatory/Supervisory Authorities may, at the request of the Corporation, grant forbearance, exemptions and waivers to the bridge bank in respect of its operations.

(5) The operation of a bridge bank shall unless extended as provide herein, terminate at the end of two (2) years from the date it was issued licence and the Corporation may in its discretion extend the period of operation of a bridge bank for maximum of three additional one year periods.

(6) The status of a bridge bank shall terminate upon the earliest of:

(*a*) the merger or consolidation of the bridge bank with an insured institution that is not a bridge bank; or

(*b*) the sale of a majority of the equity of the bridge bank to any persons, other than the Corporation and another bridge bank; or

(*c*) the assumption of all or substantially all deposits and other liabilities or the acquisition of all or substantially all of the assets of the bridge bank by an insured institution that is not a bridge bank, or

(*d*) the expiration of the period provided in subsection (5) of this Section or the earlier dissolution of the bridge bank by the Corporation at any time.

(7) The Corporation shall be appointed liquidator of a bridge bank whose status has been terminated.

(8) Following the merger or consolidation or sale of the equity or assumption of the deposits or acquisition of the assets of the bridge bank as provided in subsection (6) of this Section, the resulting entity shall for all purposes be an insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 48 *stands part of the Bill* — **Agreed to.**

PART IX — LIQUIDATION OF FAILED INSURED INSTITUTIONS

Clause 49: **Power of the Corporation to Act as Liquidator.**

(1) Whenever the licence of an insured institution is revoked by the Central Bank of Nigeria, the Corporation shall by notice published in the Gazette appoint itself as the Liquidator of such failed institution with powers specified under this Bill and in addition to and not in derogation of the powers conferred and the duties imposed by this Bill on the Corporation as Liquidator, Conservator or Supervisor, the Corporation to the extent not inconsistent with such powers and duties shall have any other power conferred and any duty [which is related to the exercise of such power] imposed on a Liquidator under the Companies and Allied Matters Act provided that in the case of :

(*a*) such power being exercised subject to the sanction of the court, or committee of inspection or any other authority, the Corporation shall have power to exercise such power absolutely without the sanction of the court, or committee of inspection or any other authority,;

(*b*) any conflict between the powers conferred on the Corporation as Liquidator in this Bill and the powers conferred on a Liquidator in the Companies and Allied Matters Act , the powers conferred on the Corporation as Liquidator in this Bill, shall prevail.

(2) Notwithstanding the fact that the license of an insured institution has not been revoked, the Corporation in agreement with CBN ,may by notice published in the Gazette appoint itself Liquidator of an insured institution whenever the Corporation determines that 1 or more of the following grounds exist with respect to that insured institution:

(*a*) insolvency in that the assets of the institution are less than the institution's obligations to its depositors and other creditors:

(*b*) an unsafe and unsound condition to transact business including substantial insufficient capital or otherwise;

(*c*) the likelihood that the institution will not be able to meet the demands of its depositors or pay its obligations in the normal course of business;

(*d*) the institution has actually suspended payment to its depositors;

(*e*) termination of the insured status of the institution;

(*f*) the institution has close its doors or any of its branches to the public or has ceased to operate, without adequate provision being made for payment of its depositors;

(*g*) the insured institution or its directors or officers have been found to conceal information or conceal records or render false or inaccurate returns to the Corporation;

(*h*) insured institution has been found to have violated banking laws or regulations relating to money laundering or whose effect is likely to result in its insolvency.

(4) Where the Corporation has appointed or is about to appoint itself liquidator pursuant to the provisions of this section, any court order that has the effect of restraining the Corporation from appointing itself liquidator or having appointed itself, from so acting or declaring such appointment unlawful, illegal, null or void or rendering such appointment ineffective; shall be null, void and of no effect provided that the court may award special damages limited to the amount of actual loss suffered where the court holds that the self-appointment of the Corporation as the Liquidator was done in bad faith.

(5) The Corporation shall:

(*a*) have power to prescribe and publish In the Official Gazette of the Federal Republic of Nigeria, the Regulations, Guidelines and Rules as the Corporation determines to be appropriate to govern the Winding up, Liquidation, and Dissolution of insured institutions and

(*b*) the provisions of Part XV — Winding Up of Companies under the Companies and Allied Matters Act 1990 or any amendment thereto and the Companies Winding up Rules made pursuant thereto shall not apply to the winding up of insured institutions by the Corporation; and (*c*) have and exercise all the powers, benefits and authority conferred on a Liquidator or any company in liquidation and shall have power to apply to the court for any relief or order which a Liquidator or any company in Liquidation may obtain under the said Part XV of Companies and Allied Matters Act, 1990 and such application shall be made with such modifications as to form and content as are stipulated under this Bill or the Regulations, Guidelines or Rules issued pursuant thereto.

(6) The Corporation as Liquidator of an insured institution shall have power to —

(*a*) wind up and liquidate the insured institution in an orderly manner

(*b*) bring or defend any action or other legal proceedings in the name of such insured institution with the addition of the phrase ''in-Liquidation" after the name of such insured institution or in the name of the Corporation disclosing thereto on the face of the process that it is the liquidator of the insured institution (official name);

(*c*) carry on the business of such insured institution so far as may be necessary for its beneficial winding up;

(*d*) sell the property of the insured institution of whatever nature by public auction or private contract with power to transfer the whole thereof to any person or to sell same in parcels;

(*e*) enter into any agreement for the purchase of all or some of the assets and the assumption of all or some of the liabilities of the insured institution;

(*f*) exercise any of the powers and authorities conferred on the Corporation and perform any of the obligations to be performed, under this Bill;

(*g*) make such other dispositions of any matter concerning such institution as the corporation determines is in the best interest of the institution the depositors of such institution and the Corporation;

(*h*) by operation of law succeed to all rights, titles, powers and privileges of the insured institution, and of any shareholder, depositor, officer, account holder or director of such institution with respect to the institution and the assets of the institution but shall not be held personally liable for the debts or liabilities of such institution;

(*i*) compromise debts and liabilities capable of resulting in debts, all claims, present or future, certain or contingent and in particular grant concession, interest waiver to a debtor of a failing or failed insured institution on such terms as may be agreed, and take any security for the discharge of any such call, debt, liability or claims and give a complete discharge in respect thereof.

(*j*) take over, manage and dispose of the assets of and operate the insured institution with all the powers of the members or shareholders, the directors and the officers of the institution and conduct all business of the institution; collect all obligations and money due the institution, perform all functions of the institution in the name of the institution which is consistent with the appointment as Liquidator;

(*k*) with the consent of the CBN to organize a new insured institution to take over such assets or such liabilities as the Corporation may determine to be appropriate or merge the insured institution with another insured institution or transfer any asset or liabilities of the institution in default without any approval, assignment or consent with respect to such transfer;

(*l*) pay all valid obligations of the insured institution in accordance with the provisions of this Bill and any guidelines and prescriptions issued by the Corporation regulating procedures for filing, settling, determination, disallowance, proof, priority, and payment of claims including administrative review;

(*m*) act as or appoint any person as Receiver for a company that is indebted to the insured institution or the Guarantor of such debtor with respect to loans, advances or other credit facility granted by the insured institution whether or not the assets of the debtor or that of the Guarantor have been charged, mortgaged or pledged as security for such credit facility and the Receiver shall have all the powers of a Receiver as stipulated in the Companies and Allied matters Act;

(*n*) offer for sale to Asset Management firm or any other persons the loans and other risk assets of a failed insured institution and may accept any bond or other instruments as consideration for the sale of any such assets;

(*o*) publish in the media the names of the debtors of a failed insured institution as disclosed in the records of the insured institution, and no liability shall attach to the Corporation or the media firm as a result of such publication;

(*q*) by order published in the official gazette direct that all or any part of the property of whatever title or description belonging to the failed insured institution or purchased with funds belonging to the failed insured institution or held by trustees on its behalf or held in the name of any other person instead of the failed insured institution shall vest in the Corporation as Liquidator in its official name and thereupon, the property to which the order relates shall vest accordingly and shall be registered under the relevant titles deeds registration enactment in fovour of the Corporation as Liquidator and the Corporation as liquidator may bring or defend in its official name any action or other legal proceedings which relates to that property for the purpose of effectually winding up the failed insured institution and recovering the property but shall not suffer any personal liability by virtue thereof of such order.

(7) The Corporation as Liquidator may, where it has reasonable cause to believe that —

(*i*) (*a*) a debtor or Guarantor of a debtor is the bonafide owner of any moveable or immoveable property, by notice served on the Inspector General of Police, take interim custody of such property with the assistance of law enforcement agencies;

(*b*) a debtor or Guarantor of a debtor has deposits or other funds in any account with any other insured institution, by Notice served on the Institution, require the institution to freeze the account, stop further transactions on the account and furnish the Corporation with any information on the account as may be directed by the Corporation.

(*ii*) (*a*) the Corporation shall within seven days of taking custody of such property or within 3 days of issuing the notice freezing the account, apply to the court by way of motion ex-parte for an order granting possession of the property to the Corporation or freezing the account and the Court shall issue the required order except it determines that the application is made in bad faith;

(*b*) the Corporation shall serve a certified true copy of the order where granted on the debtor or Guarantor and where applicable, the insured institution within 7 days of the date of the order and commence debt recovery proceedings against such debtor [if none is already pending] within 21 days of the service of the order failing which the order shall lapse;

(*c*) the court may on the application of the Corporation make an order for the disposal of the property and payment of the proceeds to the Corporation or payment of the proceeds of the account into the failed Insured institution's liquidation account secured by a guarantee given by the Corporation while the debt recovery case is still pending in the interest of depositors of the insured institution and on the merits of the application;

(*d*) where any director or officer of any insured institution fails to comply with any Notice for freezing of account the Corporation may recommend to the Central Bank of Nigeria the suspension or removal from office of such director or officer and such director or officer shall be personally liable to payment of penalty not exceeding ten thousand Naira for every day during which he failed to comply and the insured institution shall be liable to payment of penalty of 4 [four] times the amount, in the account or withdrawn from the account as a result of failure to comply with the Notice, whichever is higher;

(*iii*) (*a*) where a debtor has defaulted in making payment of any sums adjudged against him within one month of the date of the judgment whether or not an appeal had been filed against the judgment or an order for stay of execution granted in respect of such judgment, the Corporation may apply to the Court to issue a receiving order against such debtor and it shall not be necessary for the debtor to commit an act of bankruptcy or for the Corporation to file a bankruptcy petition or for any of the conditions precedent for the grant of a receiving order specified under the Bankruptcy Act to be satisfied before the court shall grant the receiving order against the debtor and where a receiving order is made against a debtor under this Bill the court may adjudge the debtor bankrupt;

(*b*) the court may on the application of the Corporation appoint the official receiver or authorize the Corporation to assume the office of trustee of the property of the debtor and the Corporation shall have all the powers of a trustee under the Bankruptcy Act;

(*c*) any debtor adjudged bankrupt under this Bill shall be deemed to have been adjudged bankrupt under the Bankruptcy Act which shall have effect as modified under this Bill and the trustee appointed herein shall have power to seek the directive of the court in respect of anything or act to be done under the Bankruptcy Act;

(*iv*) where a judgment debtor is unwilling to pay its debt owed to a failed insured institution and has filed application for stay of execution pending appeal the Court shall not grant an order to stay execution of the judgment .pending the appeal except the Judgment debtor pays into court the judgment sum.

(8) (*i*) Where the Corporation has commenced Liquidation of an insured institution any garnishee order Nisi or Absolute or attachment, sequestration, distress or execution put in force against the bank account or estate or effects of such insured institution or the Corporation in respect of any judgment debt or other liabilities owed by such insured institution or any other judgment debtor shall be void, null and of no effect whatsoever

(*ii*) Where an insured institution is being wound up by the Corporation, no action, suit or proceedings shall be proceeded with or commenced against such insured institution or the Corporation except with the leave of Court given on such terms as the Court may impose.

(*iii*) A creditor who had issued execution against any goods or land of the insured institution or attached any debt due to the institution shall not be entitled to retain the benefit of the execution or attachment against the Corporation unless he had completed the execution or attachment before the Commencement of liquidation of such insured institution.

(*iv*) For the purpose of this section an execution against the goods shall be taken to be completed by seizure and sale and an attachment of debt shall be deemed to be completed by receipt of payment by the Judgment creditor and an execution against land shall be deemed to be completed by seizure and in case of an equitable interest , by the appointment of a Receiver while commencement of liquidation shall be from the date of revocation of the operating licence of the insured institution or publication of self -appointment in the gazette.

(*v*) A purchaser in good faith under a sale by the court in the course of execution being levied on any property of the insured institution before the commencement of liquidation shall acquire good title against the Corporation.

(*vi*) Where any goods of an insured institution are taken in execution and before the sale thereof or the completion of the execution by receipt or recovery of the full amount of levy, notice is served on the sheriff of court by the Corporation that the Corporation has become the liquidator of the insured institution, the sheriff shall deliver the goods and any money seized or received in part satisfaction of the execution to the Corporation provided the Corporation satisfies the charge for costs of execution..

(*vii*) When acting as Deposit Guarantor, conservator or liquidator of an insured institution under this Bill the Corporation shall have power to act independently in the interest of the depositors, other creditors and the shareholders of such insured institution without undue influence from any Organ, Office, Ministry, Department or Agency of Government

(*viii*) Where the Corporation has taken over management of the affairs of any insured institution as Conservator or Liquidator of such institution, any Declaration, Injunction or Order of court issued against the Corporation or any of its officers that has the effect of restraining, prohibiting or preventing the Corporation from acting, performing or carrying out its statutory obligations and functions as Conservator or liquidator of such insured institution shall be void, provided that an order as to damages may be issued where the court makes a finding of *mala fide* against the Corporation.

(*ix*) The Corporation shall have power to avoid the transfer of an interest in any property or asset of an insured institution that was fraudulently transferred by such insured institution within five years of the commencement of the liquidation of that insured institution and shall have power to trace and recover from subsequent transferees provided that such transferees are not purchasers in good faith

(*x*) The Corporation shall have power to enforce any contract agreement or deed entered into by the insured institution facing liquidation with any person notwithstanding that such contract, agreement or deed provides for termination in the event of insolvency or liquidation of such insured institution.

(*xi*) No person without the consent of the Corporation shall —

(*a*) exercise the right or have power to terminate any contract, agreement or deed or declare a default in any such contract, agreement or deed to which the insured institution is a party nor (*b*) obtain possession of or exercise control over any asset or property of such insured institution nor

(*c*) affect any contractual rights of the insured institution within 90 days of the commencement of liquidation of such insured institution

(*xii*) The Corporation shall have power to in the course of recovering the debt owed to any failed insured institution by any debtor enforce liability for repayment of that debt on any assets or property of any incorporated company which is found to have been acquired, formed, incorporated or registered by the debtor or the debtor's agent, principal, privy, associate, director or shareholder after incurring the debt whether or not for the purpose of avoiding repayment of the debt.

(*xiii*) The Corporation shall have power to repudiate contracts, agreements or deeds to which the insured institution is a party which the Corporation determines to be burdensome and that repudiation of such contracts, agreements or deeds, would promote the orderly administration of the insured institutions affairs, provided that any person aggrieved by the exercise of such power shall have the right to file action in court for special damages limited to actual loss suffered as a result of such repudiation from the date of commencement of liquidation to the date of repudiation of such contract, deed or agreement, against the Corporation as liquidator thereof.

(*xiv*) The Corporation shall not have power to avoid legally enforceable security interests created over the property and assets of a debtor to the insured institution or the institution including legal mortgages and other charges except the Corporation determines that such interests were created —

(*a*) in contemplation of insolvency of the debtor or the insured institution; or

(*b*) with intent to hinder or defraud the insured institution or its depositors, other creditors or shareholders.

(*xv*) No agreement which diminishes the Corporation's interest in any asset of an insured institution shall be valid in law unless it is in writing, was executed contemporaneously by the insured institution and the counter party, was approved by the Board of Directors of the Insured institution and has been continuously a record of the insured institution.

(*xvi*) The Corporation and the insured institution shall be exempt from federal, state and local Government taxes, rates, and levies except real property taxes.

(*xvii*) The Corporation shall not be liable to payment of penalties, interest or fines imposed by any court, authority, government department, agency , office , contract or agreement except special damages awarded by a court of law as provided herein.

(9) (*i*) The Corporation shall conclude winding up of an insured institution which it is liquidating within 7 years of its appointment and may issue guidelines governing procedures for terminating liquidation activities.

(*ii*) The Corporation may establish a subsidiary that will take custody of the residue of assets, if any, of failed insured institutions whose liquidation has been terminated pursuant to this Bill.

(10) The Corporation as Liquidator shall not be under any duty to make any returns to the Corporate Affairs Commission as provided by the Companies and Allied Matters Act but may provide such information as may be requested by the Commission if it determines it is expedient to do so in the interest of depositors of the insured institution.

(11) The failure resolution mechanism to be adopted by the Corporation to address the problems of a failing or failed insured institution shall be any or a combination of any of the options listed hereunder without prejudice to any other options that the Corporation may adopt pursuant to any other law enabling it on that behalf and the Corporation may be guided by the following factors amongst some other factors which the Corporation may determine from time to time when considering a failure resolution mechanism:

(*a*) minimization of financial and economic costs as well as contagion risks;

(*b*) ensure a minimum level of protection to depositors, in particular the small uninformed and less sophisticated depositors (orphans and widows);

(*c*) no bail out of shareholders;

(*d*) the size of the bank extent of the distress, policy of Government and whether the problem is systemic or localized; and

(*e*) implementation in a timely and transparent manner.

(12) Where there is any inconsistency between the provisions of the Companies and Allied Matters Act, 1990 or any amendment thereto and the provisions of this Act or any amendment thereto or the Regulations made there under, the provisions of this Act or the Regulations made there under shall prevail and the provisions of the Companies and Allied Matters Act 1990 or any amendment thereto shall be null and void to the extent of such inconsistency

(13) Where an insured institution suspends payment or is unable to meet its obligation to its depositors or is under liquidation by the Corporation, all the property, undertaking and assets of the insured institution (including those pledged or mortgaged to third parties but which have not yet been realised by the secured creditors), shall be available to meet all the deposit liabilities of the insured institution and such deposit liabilities shall have priority over all other liabilities of the insured institution.

(14) Any disposition by any secured creditor, judgment creditor or person, apart from the Corporation acting as Liquidator thereof, of any property, whether or not pledged or mortgaged of an insured institution under liquidation by the Corporation , shall be null, void and of no effect.

Stay of Pending Suits.

(15) Where the Corporation has commenced liquidation of an insured institution, or has assumed control of any insured institution as conservator, and applies to the court for stay of any suit, application, proceedings, execution, attachment, or action pending or instituted in any court by or against such insured institution or the Corporation the Court shall, whether or not leave had earlier been granted to commence or proceed with such action or matter pursuant to this Bill or any other law, grant such stay as to all parties:

Judgment Debt.

(*a*) where an insured institution is in Liquidation any judgment sum obtained against the insured institution by a judgment creditor that has not been satisfied prior to commencement of liquidation or that is obtained after commencement of Liquidation shall not be enforceable against the estate of the insured institution facing liquidation or the Corporation;

(*b*) every judgment debt against an insured institution under liquidation or the Corporation as Liquidator of an insured institution which is not subject to an appeal shall be filed with the Liquidator as an unsecured creditor claim which shall be admitted to proof in accordance with the rules and regulations governing administration of claims payment issued by the Corporation;

(*c*) where a depositor of an insured institution is also a judgment creditor in respect of that deposit, such depositor shall elect to file his claim either as a depositor or as a creditor but where he submits a certified true copy of the judgment evidencing the judgment debt, he shall be deemed to have elected to file his claim as a judgment debtor and not a depositor;

(*d*) the interest applicable on any judgment debt against an insured institution under liquidation as stated in the judgment which is filed as proof of claim with the Corporation as Liquidator of such institution shall cease to be applicable from the date the Corporation commenced liquidation of such insured institution.

(16) Except as provided in this Bill, no Court may take any action to restrain or affect the exercise of powers or functions of the Corporation as a conservator or liquidator (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 49 *stands part of the Bill* — ***Agreed to.***

Clause 50: Action Following a Failure.

(1) It shall be the duty of the Corporation to cause notice to be given by advertisement in such national newspapers or other news media requiring all depositors of the insured institution facing liquidation to forward their claims to the Corporation.

(2) The Corporation acting as liquidator of the failed institution shall have power to —

(*a*) realize the assets of the failed insured institution;

(*b*) enforce the individual liability of the shareholders and directors thereof; and

(*c*) wind up the affairs of such failed institution as herein otherwise provided.

(3) The Corporation acting as liquidator shall:

(*a*) pay to the Corporation such portion of the amount realized from such liquidation as it shall be entitled to receive on account of its subrogation to the claims of depositors and shall pay to depositors and other creditors the net amount available for distribution to them;

(*b*) may pay dividends on proved claims at any time after the expiration of the period of advertisement made pursuant to subsection (1) of this section and no liability shall attach to the Corporation itself by reason of any such payment or for failure to pay dividend to a claimant whose claim is not proved.

Payment of Insured Deposit Pending Action in Court.

(4) Where the operating licence of an insured institution is revoked or where the insured Institution has suspended payment or is otherwise unable to meet its obligation to depositors, the Corporation shall have power to pay insured deposit to depositors from the Deposit Insurance Fund (DIF) or the Special insured institutions fund (SIIF) in accordance with Section 21 of this Bill.

(5) No pending action, suit, proceedings , application or order of court shall prevent or restrain the payment by the Corporation of the insured deposits to depositors of an insured institution or acting as conservator or liquidator pursuant to the provisions of this Bill.

(6) The right of Subrogation conferred on the Corporation under Sections 21 (2) and 41 (3) (*a*) of the Act shall be exercisable against the insured institution notwithstanding the restoration of the insured institutions operating licence, or upon its returning to solvency and such insured institution shall be liable to refund to the Corporation the amount of insured deposits of the institution paid by the Corporation to the depositors prior to the restoration of the insured institution's operating licence when it suspended payment or was otherwise unable to meet its obligation to its depositors as a result of insolvency.

(7) Any person aggrieved by the payment of insured deposit to depositors of an insured institution pursuant to Section 21 of this Bill shall claim remedy in damages only which shall be limited to the amount of insured deposit paid (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 50 stands part of the Bill — ***Agreed to.***

Clause 51: Power to Appoint Agents.

(1) The Corporation may when acting as Liquidator of a failed insured institution appoint an agent or agents to assist it in the performance of its duties, and all fees, compensation and expenses of liquidation and administration thereof shall be fixed and paid by the Corporation from the realized assets of the failed institution.

Right of disposal of Lien.

(2) The Corporation shall have a right of lien over any collateral or security in its custody whether or not pledged as security for a loan by a debtor customer of a failed insured institution who has repaid the loan facility but is also indebted to another failed insured institution being liquidated by the Corporation

(3) The Corporation shall have the right to dispose of such collateral or security and apply the proceeds of the sale for the repayment of such other loan facility owed the other failed insured institution where the debtor fails to repay such other loan facility after having been served a letter of demand to repay the facility within a period of not less than 21 days by the Corporation.

(4) Where the Court determines that such disposal was in error or done in bad faith it may make an order as to damages limited to the value obtained from the sale of such collateral but shall not have jurisdiction to make an order voiding, reversing, preventing, restraining or prohibiting the disposal of such collateral or security and any such order if made shall be null and void and of no effect (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 51 *stands part of the Bill* — ***Agreed to.***

Clause 52: Closure of Failed Insured Institutions.

For the purpose of this Bill, and without prejudice to Section 462 of CAMA requiring statutory declaration of insolvency by a company under voluntary winding-up, an insured institution shall be deemed to have been closed on account of inability to meet the demands of its depositors in any case in which it has been closed for the purpose of liquidation without adequate provision being made to the satisfaction of the Corporation for payment of its depositors (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 52 *stands part of the Bill* — ***Agreed to.***

Clause 53: Challenging the Liquidation of an Insured Institution.

Except as provided in this Bill, where the Corporation has pursuant to the provision of this Bill, assumed responsibility as Liquidator of any Insured Institution, any court order whose effect is to restrain the Corporation from acting as Liquidator including restoration of the operating license of such insured institution after it has been revoked by the Central Bank of Nigeria shall be null, void and of no effect. Provided however that any order as to damages on the grounds that the revocation of the operating license of such insured institution or the Corporation's self-appointment as liquidator was in bad faith shall not be null, void and of no effect (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 53 *stands part of the Bill* — ***Agreed to.***

Clause 54: Limitation Law Not Applicable.

(1) The provisions of the Limitation Law of a State or the Limitation Act of the Federal Capital Territory shall not apply to any debt owed to a failing or a failed insured institution or to any civil action against any person in respect of a failed bank.

Liability of Directors, Shareholders and Officers.

(2) (*a*) A director, majority shareholder, officer, employee, agent, attorney, accountant or auditor, appraiser or any other party engaged by or providing services to an insured institution that fails shall be held personally liable in monetary damages where his or her actions caused or contributed to the failure of such institution in civil action by, on behalf of, or at the request or direction of the Corporation, acting as Liquidator, conservator, supervisor or insurer and which action is prosecuted wholly or partially for the benefit of the Corporation and insured depositors.

(*b*) The liability of directors of an insured institution that fails for the grant of unauthorized credit facilities in violation of the provisions of any law or regulation shall be unlimited and personal.

(*c*) In any proceedings related to any claim against a director, majority shareholder, officer, employee, agent, attorney, accountant or auditor, appraiser or other party engaged by or providing services to an insured institution that fails, recoverable damages determined to result from the improvident or otherwise improper use or investment of any insured institutions assets shall include principal losses and appropriate interest, profit or dividend.

(*d*) This section applies to a director, majority shareholder, officer, employee, agent, attorney, accountant or auditor, appraiser or any other party engaged by or providing services to an insured institution that fails prior to its being declared failing or failed institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 54 *stands part of the Bill* — ***Agreed to.***

PART X — CRIMINAL PROSECUTION AND OFFENCES

Clause 55: Offences and Penalties.

(1) Any person who being a Director, an officer or staff of an insured institution who —

(*a*) fails to take all reasonable care to secure compliance with the provisions of this Bill or any regulations, guidelines, circulars, directives or rules made pursuant to the provisions of this Bill;

(*b*) fails to take all reasonable care to secure the authenticity of any statement submitted pursuant to the provisions of this Bill or any Regulations made pursuant thereto;

(*c*) whilst he is in default in payment of any outstanding obligation due to any insured institution, fails or declines receipt of or neglects or refuses to refund within 24 hours of the receipt of payment of, any dividend declared, in respect of any insured institution;

(*d*) takes any loan, advance, overdraft or credit facility of a commercial nature from the insured institution directly or through any firm or registered company:

(*e*) allows any loan , advance, overdraft or credit facility taken by him in any insured institution to be classified:

shall be guilty of an offence and liable upon conviction to imprisonment of not less than five years or a fine of not less than ₦5,000,000 (five million Naira) only or to both such fine and imprisonment and —

(*i*) in the case of (*c*) above shall forfeit any dividend payment received,

(*ii*) in the case of (*d*) or (*e*) above, all the assets of the Director or his company in the Federation shall be available to liquidate such facilities which shall have priority over any other liabilities of the Director or his company including that of secured creditor and judgment debtors.

(2) Any insured institution that reimburses or pays for a staff , officer or director directly or indirectly a fine imposed under this Bill shall be guilty of an offence and be punishable on conviction by a fine of not more than ₦50,000,000.00 (fifty million Naira) and also forfeit the amount repaid or reimbursed to the staff.

(3) A Legal Practitioner employed by the Corporation shall have power to institute and undertake criminal proceedings against Directors, officers majority shareholders and customers of insured institutions before any court of law in Nigeria other than a court martial and to discontinue at any stage before judgment is delivered any such criminal proceeding, relating to, touching upon or concerning:

(*a*) violations of the provisions specified in this Bill,

(*b*) violations of the provisions specified in the Banks and Other Financial Institutions Act, the Failed Banks (Recovery of Debts) and Financial Malpractices in Banks Act, the Companies and Allied Matters Act, the Foreign Exchange Act, the Money Laundering Act, the Criminal Code Act and the Penal Code Act;

(*c*) violations of provisions relating to, touching upon or concerning the business, operations or transactions of insured institutions under any enactment.

(4) The Court may upon a civil suit filed by the Corporation as liquidator or conservator hold personally liable for gross negligence or conduct that demonstrates breach of duty of care any officer, director, majority shareholder, agent, employee, customer, auditor, or legal practitioner of an insured institution and award compensatory and punitive damages thereto determined to have resulted from the improvident or otherwise improper use , application or investment of the insured institution's assets, including principal losses and appropriate interest

(5) Any Director or officer of the insured institution who grants, allows to be granted or is any way involved in the granting of a loan, a guarantee or credit facility —

(*i*) without security as required by the insured institution's regulations or policy; or

(*ii*) in contravention of the insured institution's regulations or policy or this Bill or any other law or regulation shall be guilty of an offence and be liable on conviction to the repayment of the unsecured loan, guarantee or facility including interest and to 2 years imprisonment without the option of fine.

(6) All principal officers of a licensed bank or other deposit taking financial institution who contravene this Section shall be guilty of an offence and be liable to 3 years imprisonment or a fine of not more than ₦5 million or to both such fine and imprisonment.

(7) Without prejudice to criminal prosecution as provided in this Section, any person found guilty of violating the provision of any law referred to in this section shall in addition to imprisonment upon conviction be —

(*a*) liable to forfeiture of all assets derived from commission of the offence; and

(*b*) subject to penalty assessed as the loss suffered by the insured institution as a result of the commission of such offence or which is related directly to the amount involved in the offence committed.

(8) The Corporation shall have power to investigate in collaboration with the Nigeria Police Force or other law enforcement agencies any person suspected of being involved in the commission of banking malpractices or banking offences which has caused or is capable of causing the failure of any insured institution.

Civil Penalty Damages.

(9) (*a*) A director or officer or majority shareholder or employee or customer or service provider or agent or Legal practitioner or accountant or external auditor or consultant of, or any other party employed by or providing services to an insured institution may be held personally liable for monetary damages in any civil action instituted, on behalf of , at the request or direction of, or taken over , or by the Corporation acting as Liquidator or conservator of such insured institution for mismanagement or poor management of such insured institution or its assets or for breach of trust, negligence, gross negligence or similar conduct that demonstrates breach of or disregard of duty of care or other tortuous conduct as well as under any statute whether or not resulting in the failure of such insured institution.

(*b*) In any proceeding related to any claim for monetary damages against an insured institution's director, officer, employee, majority shareholder, customer, service provider, agent .Legal Practitioner, accountant, external auditor, consultant, or any other party employed by or providing services to an insured institution, recoverable damages determined to result from the mismanagement or poor management of such insured institution or its assets or the improvident or otherwise improper use or investment of an insured institutions assets shall include principal losses and appropriate interest (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 55 *stands part of the Bill* — ***Agreed to.***

Clause 56: **Power to Compound Offences.**

(1) Without prejudice to section 174 of the Constitution of the Federal Republic of Nigeria, the Corporation may compound any offence punishable under this Bill by accepting an amount not exceeding two thirds of such maximum fines provided for the offence by this Bill.

(2) All monies received by the Corporation under the provisions of subsection (1) of this section shall be paid into the consolidated Revenue Fund of the Federation.

(3) All offences under this Bill shall be tried by a Court of competent jurisdiction (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 56 *stands part of the Bill* — ***Agreed to.***

Clause 57: **Right to Appear in Court.**

(1) Subject to the provision of Section 174 of the Constitution of the Federal Republic of Nigeria (which relates to the power of the Attorney-General of the Federation to institute, continue or discontinue criminal proceedings against any person in any court of Law), any Legal Practitioner in the employment of the Corporation may with the consent of the Managing Director, prosecute or defend criminal or civil or other proceedings in respect of matters relating to the activities, business or operations of the Corporation or any insured institution under this Bill in the course of carrying out the objects and objectives of this Bill.

(2) Notwithstanding the provisions of any enactment to the contrary, a person employed in the Corporation who is a legal practitioner shall, while so employed be entitled to appear in court as a legal practitioner for the purpose and in the course of carrying out the objects and objectives of this Bill without prejudice to the power of the Corporation to engage private legal practitioners in any proceedings (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 57 *stands part of the Bill* — ***Agreed to.***

PART XI — ANNUAL ACCOUNTS

Clause 58: **Accounts and Audit.**

(1) The Managing Director shall submit to the Board for approval not later than 30th September of each year an estimate of its expenditure and income during the succeeding year.

(2) The Corporation shall keep proper accounts in respect of each financial year, and proper records in relation to those accounts and shall cause the accounts to be audited within 6 months after the end of the financial year.

(3) For the purpose of subsection (1) of this section the financial year of the Corporation shall be from 1st January to 31st December of every year or such other period as may be determined by the Board.

(4) The accounts of the Corporation shall be audited by auditors appointed from time to time on such terms as may be determined by the Board, subject to the provision of Section 85 of the Constitution of the Federal Republic of Nigeria (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 58 *stands part of the Bill — **Agreed to.***

Clause 59: **Annual Report.**
The Management of the Corporation shall prepare and submit to the Board, not later than three months after the end of each financial year, a report which shall be in such form as the board may direct and shall relate to the activities of the corporation during the immediately preceding financial year and thereafter a copy each shall be submitted to the Governor of the Central Bank of Nigeria, the Auditor-General of the Federation and the Minister of Finance (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 59 *stands part of the Bill — **Agreed to.***

PART XII — GENERAL

Clause 60: **Advertisement.**
An insured institution may advertise its insured status without prior approval from the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 60 *stands part of the Bill — **Agreed to.***

Clause 61: **Exemption from Insurance Act.**
The Corporation shall be exempted from provisions of the Insurance Act or any amendment thereof (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 61 *stands part of the Bill — **Agreed to.***

Clause 62: **Power to Borrow.**

(1) The Corporation shall have power to borrow from the Central Bank of Nigeria such moneys as it may deem fit for the discharge of its functions under this Bill.

(2) The Central Bank of Nigeria may guarantee in such manner and upon such terms as it may deem fit the redemption and the repayment of any interest on any debenture stocks raised by the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 62 *stands part of the Bill — **Agreed to.***

Clause 63: **Relationship with the Central Bank of Nigeria.**

(1) The Corporation shall have access to reports of examination conducted by the Central Bank of Nigeria.

(2) The Corporation shall make reports of its examination of insured institutions and any other information essential to safe and sound banking practice available to the Central Bank of Nigeria.

(3) The Central Bank of Nigeria shall make available to the Corporation relevant information on the insured institutions licensed by it.

(4) The Central Bank of Nigeria shall be required to inform the Corporation on all the contraventions committed by any insured institution under the provisions of this Bill.

(5) The Corporation shall co-operate with the Central Bank of Nigeria on matters affecting any insured institution.

(6) The Corporation shall have power to enter into a memorandum of understanding with any relevant agency in the discharge of its mandate. Such agency shall include but is not limited to any member of the international Association of Deposit Insurers (IADI) (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 63 *stands part of the Bill* — ***Agreed to.***

Clause 64: External Auditors of all Insured Institutions and Reporting Requirements.

(1) No duty to which an auditor of an insured institution or a person appointed pursuant to the provisions of Banks and Other Financial Institutions Act 1991 or any amendment thereof is subject shall be contravened by reason of his communicating in good faith to the Corporation whether or not in response to a request made by it, any information or opinion on a matter to which this section applies and which is relevant to safe and sound banking and financial practice.

(2) An auditor of an insured institution shall recognize the Corporation's responsibility for the protection of the interest of depositors and shall bring to the notice of the Corporation —

(*a*) any adverse development such as possibility of imminent financial collapse;

(*b*) evidence of an occurrence which has led or is likely to lead to a material diminishing of the insured institutions net asset;

(*c*) evidence that there has been a significant weakness in the accounting and other records or the internal control system of the insured institution;

(*d*) evidence that the management of the insured institution has reported financial information to the Corporation which is misleading in a material particular;

(*e*) where he believes that a fraud or other misappropriation has been committed by the directors, management or staff of the insured institution or has evidence of the intention of directors or senior management to commit such fraud or misappropriation; or

(f) where there has been an occurrence which causes the auditor to no longer have confidence in the competence of the directors or the senior management to conduct the business of the insured bank in a prudent or safe and sound manner so as to protect the interest of the depositors such as acting in an irresponsible or reckless manner in respect of the affairs of the insured bank.

(3) Any auditor of an insured institution who acts in contravention of or fails deliberately or negligently to comply with any of the provisions of subsection (2) of this section in any respect shall be guilty of an offence and liable on conviction to a maximum fine of ₦5,000,000.00 (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 64stands part of the Bill — **Agreed to.***

Clause 65 **Indemnity of the Corporation.**

(1) The Corporation or any of its directors, officers or agents shall not be subject to any action, claim, suit court proceedings, or demand by or liability to any person in respect of anything done or omitted to be done in good faith in pursuance or in execution of or in connection with the operations business or activities of the Corporation or the execution of any power conferred upon the Corporation, such director, officer or agent.

(2) No suit, action or court proceedings shall be commenced or instituted against the Corporation before the expiration of a period of one (1) month after written notice of intention to commence the suit shall have been served upon the Corporation by the intending plaintiff or his agent and the notice shall clearly and explicitly state the cause of action and the place of abode for the intending plaintiff and the relief which he claims.

Service of Process.

(3) Every originating process or other process intended for service on the Corporation may be served by giving the process to the Board Secretary or the Director of the Legal Department at the Corporation's Head Office, Abuja, FCT.

(4) The Chief Judge of the Federal High Court may designate any judge of the Federal High Court to hear matters for the recovery of debts owed to insured financial institution under the control and management of the Corporation or under liquidation and criminal offences related thereto or arising from the provisions of this Bill, the Banks and Other Financial Institutions Act, the Failed Banks (Recovery of Debt) and Other Financial Malpractices in Banks Act, or any legislation containing banking and related offences, to the exclusion of any other matter for such period as may be determined by the Chief Judge (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that Clause 65 stands part of the Bill — **Agreed to.***

Clause 66: **Regulations.**

(1) The Corporation may make and publish in the Official Gazette of the Federal Republic of Nigeria, Regulations, Guidelines, Directives, bye-laws, circulars, Rules or Orders to give full effect to the objects and objectives of this Bill.

(2) The power to make regulations, rules or orders conferred on the Board by this Bill shall include —

(*a*) power to make provisions for such incidentals and supplementary matters as the authority making the instrument considers expedient for the purpose of the instrument; and

(*b*) power to make different provisions for different circumstances guiding the operations of the Deposit Insurance Scheme.

(3) The Corporation may impose a penalty not exceeding ₦1,000,000 (one million Naira) on an insured bank or other financial institution or its directors or officials or recommend to the Governor of the Central Bank of Nigeria to suspend the licence of the insured bank or financial institution if the insured bank or financial institution fails to comply with any provisions of this Bill (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 66 *stands part of the Bill* — ***Agreed to.***

Clause 67: Liquidation.
The Corporation shall not be placed in liquidation except pursuant to the provisions of a law or enactment in that behalf and then in such manner as that law or enactment may specify (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 67 *stands part of the Bill* — ***Agreed to.***

Clause 68: Repeal of Cap. 301, LFN as Amended.

(1) The Nigeria Deposit Insurance Corporation Act 2006 is hereby repealed.

(2) Without prejudice to Section 6 of the Interpretation Act, the repeal of the enactments referred to in subsection (1) of this Section shall not affect anything done under or pursuant to those enactments.

(3) The rights, interests, obligations and liabilities of the Corporation existing before the commencement of this Bill under any contract or instrument, or in law or in equity, shall by virtue of this Bill be assigned to and continue to be vested in the Corporation.

(4) Any such contract or instrument mentioned in subsection (3) of this Section shall be of the same force and effect against or in favour of the Corporation and shall be enforceable fully and effectively (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 68 *stands part of the Bill* — ***Agreed to.***

Clause 69: Interpretation.
In this Bill, unless the context otherwise requires —

(*a*) "bank" means any person who is licensed by the Central Bank of Nigeria to carry on the business of acceptance of deposits (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the word "bank" be as defined in the interpretation to this Bill — ***Agreed to.***

(*b*) "Board" means the Board of Directors of the Corporation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that the meaning of the word "Board" be as defined in the interpretation to this Bill — **Agreed to.***

(*c*) "bridge bank" means a bank established by the Corporation in accordance with Section 39 of this Bill (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that the meaning of the words "bridge bank" be as defined in the interpretation to this Bill — **Agreed to.***

(*d*) "Close Associates" means Partner, Associate, Employer, or Employee of the Board Member (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that the meaning of the words "Closed Associates" be as defined in the interpretation to this Bill — **Agreed to.***

(*e*) "Corporation" means the Nigeria Deposit Insurance Corporation established pursuant to section 1 of this Bill (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that the meaning of the word "Corporation" be as defined in the interpretation to this Bill — **Agreed to.***

(*f*) "Deposit" means monies lodged by depositors with any institutions for safe keeping or for the purpose of earning interest, premium or dividend. Whether or not repayable on demand, upon a given period of notice or upon a fixed date, or at a time or in circumstances agreed upon by or on behalf of the depositor making the lodgment and the insured institution receiving it (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that the meaning of the word "Deposit" be as defined in the interpretation to this Bill — **Agreed to.***

(*g*) "Excess Insured Deposit Claims" means deposits over and above the insured amounts which are payable on realization of the assets of a failed insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that the meaning of the words "Excess Insured Deposit Claims" be as defined in the interpretation to this Bill — **Agreed to.***

(*h*) "Failed insured institution" means an insured institution whose operating licence has been revoked or which is critically undercapitalized, i.e. its capital to risk weighted assets ratio is above 2 percent but below 5 percent or that is declared a failed bank by the Corporation or the CBN in accordance with the criteria stipulated in the Prudential Guidelines issued for licenced banks (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

*Question that the meaning of the words "Failed insured institution" be as defined in the interpretation to this Bill — **Agreed to.***

(*i*) "Failing bank" means an insured institution whose capital to risk weighted assets ratio or regulatory capital is below the minimum prescribed by CBN in accordance with the criteria stipulated in the Prudential Guidelines issued for licenced banks (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Failing bank" be as defined in the interpretation to this Bill — ***Agreed to.***

(*j*) "Family Member" means Husband, Wife, Father, Mother, Brother, Sister, Son, Daughter and their spouses (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Family Member" be as defined in the interpretation to this Bill — ***Agreed to.***

(*k*) "Insured Institution" means a licensed bank or other deposit taking financial institution, the deposits of which are insured in accordance with the provisions of this Bill (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Insured Institution" be as defined in the interpretation to this Bill — ***Agreed to.***

(*l*) "Liquidator" means the Nigeria Deposit Insurance Corporation or such other person appointed by the Corporation to act as Liquidator (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the word "Liquidator" be as defined in the interpretation to this Bill — ***Agreed to.***

(*m*) "Minister" means the Minister charged with responsibility for matters relating to finance (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the word "Minister" be as defined in the interpretation to this Bill — ***Agreed to.***

(*n*) "Other deposit taking financial institutions" means and includes licensed community banks and licensed primary mortgage institutions (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Other deposit taking financial institutions" be as defined in the interpretation to this Bill — ***Agreed to.***

(*o*) "Partners "in Section 54 (3) of this Bill shall include directors of a limited liability company carrying out audit functions in respect of an insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the word "Partners" be as defined in the interpretation to this Bill — ***Agreed to.***

(*p*) "Significant interest" means shares of an aggregate value of not less than 5% (five percent) of the total shareholding, whether held directly by the person or through other person or a company in which he has shareholding (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Significant interest" be as defined in the interpretation to this Bill — ***Agreed to.***

(*q*) "State" means any of the States of the Federation (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the word "State" be as defined in the interpretation to this Bill — ***Agreed to.***

(*r*) "Supervisory Authorities" means the Corporation, Central Bank of Nigeria and any other government body charged with regulation or supervision of banks and other financial institutions (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Supervisory Authorities" be as defined in the interpretation to this Bill — ***Agreed to.***

(*s*) "Closed Insured Institution" has the same meaning with failed insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Closed Insured Institution" be as defined in the interpretation to this Bill — ***Agreed to.***

(*t*) "Court" means any Court of competent jurisdiction including a Federal or State High Court, Tribunal, or the National Industrial Court (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the word "Court" be as defined in the interpretation to this Bill — ***Agreed to.***

(*u*) "Failure of an Insured Institution" means a failing or failed insured institution (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Failure of an Insured Institution" be as defined in the interpretation to this Bill — ***Agreed to.***

(*v*) "Majority Shareholder" means a shareholder who is having controlling or the beneficial owner of an aggregate value of not less than 5% (five percent) of the total shareholding in an insured institution, whether held directly or through other persons or company in which the shareholder has shareholding or other security interest (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the meaning of the words "Majority Shareholder" be as defined in the interpretation to this Bill — ***Agreed to.***

Question that Clause 69 stands part of the Bill — Agreed to.

Clause 70: **Citation.**

This Bill may be cited as the Nigeria Deposit Insurance Corporation Bill, 2018 (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that Clause 70 *stands part of the Bill —* ***Agreed to.***

SCHEDULE

Proceedings of the Board

1. The Board may make standing orders regulating the proceedings of the Board or of any committee thereof and shall meet not less than four times in every year.

2. The quorum of the Board shall be five which shall include the Managing Director or one Executive Director, the representatives of the Central Bank of Nigeria or the Ministry of Finance and three part-time members.

3. (1) Subject to the provisions of any applicable standing orders, the Board shall meet whenever summoned by the Chairman and if the chairman is required to do so by notice given to him by not less than three other members shall summon a meeting of the Board to be held within twenty-one days from the date on which the notice is given.

(2) At any meeting of the Board, the Chairman shall preside or in his absence, the members present at the meeting shall appoint one of their members to preside at that meeting.

(3) Where the Board wishes to obtain the advice of any person on a particular matter, the Board may invite for such period as it thinks fit; but a person who is invited by virtue of this sub-paragraph shall not be entitled to vote at any meeting of the Board and shall not count towards a quorum.

4. (1) The Board may appoint one or more committees to carry out on behalf of the Board, such of its functions as the Board may determine.

(2) A committee appointed under this paragraph shall consist of the number of persons determined by the Board and not more than one-third of those persons may be persons who are not members of the Board and a person other than a member of the Board shall hold office on the committee in accordance with the terms of the instrument by which he is appointed.

(3) A decision of a committee constituted under this Section shall be of no effect until it is confirmed by the Board.

5. (1) The fixing of the Seal of the Corporation shall be authenticated by the signature of the Chairman or Managing Director and any other person authorized by the Board.

(2) Any contract or instrument which if made or executed by a person not being a body corporate, would not be required to be under seal may be made or executed on behalf of the Board by any person generally or specially authorized to act for that purpose by the Board (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Question that the provisions of the Schedule stand part of the Bill — ***Agreed to.***

Explanatory Note:
(*This note does not form part of the above Act but it is intended to explain its purport*)

This Bill amongst other things repeals the Nigeria Deposit Insurance Corporation Act, 2006 and replaces it with a new Act that provides for the Nigeria Deposit Insurance Corporation as the insurer of all deposit liabilities of licensed banks and other financial institutions (*Hon. Julius Olufemi Fakeye — Boluwadurô/Ifedayo/Ila Federal Constituency*).

Agreed to.

Long Title:
A Bill for an Act to Repeal the Nigeria Deposit Insurance Corporation Act of 2006 and Enact the Nigeria Deposit Insurance Corporation Bill, 2018 (HB. 984) (*Hon. Julius Olufemi Fakeye — Boluwaduro/Ifedayo/Ila Federal Constituency*).

Agreed to.

Chairman to report Bill.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in Committee of the Whole considered the Report on a Bill for an Act to Repeal the Nigeria Deposit Insurance Corporation Act of 2006 and Enact the Nigeria Deposit Insurance Corporation Bill, 2018 (HB. 984) and approved Clauses 1 - 70, the Schedules, the Explanatory Memorandum, and the Long Title of the Bill.

Question that the House do adopt the Report of the Committee of the Whole — ***Agreed to.***

(*v*) ***Committee on Ports, Harbours and Waterways:***
Motion made and Question proposed, "That the House do consider the Report of the Committee on Ports, Harbours and Waterways on a Bill for an Act to Repeal the Nigerian Ports Authority Bill, Cap. 126, LFN, 2004 and to Re-enact the Nigerian Ports and Harbours Act, Establish the Nigerian Ports and Harbours Authority to Provide for the Ownership, Management and Development of Ports and Harbours; and for Related Matters (HB. 569 and HB. 855) and approve the recommendations therein" (*Hon. Patrick Asadu — Nsukka/Igboeze North Federal Constituency*).

Agreed to.

Question that the House do resolve into the Committee of the Whole to consider the Report — ***Agreed to.***

(HOUSE IN COMMITTEE)

(*Mr Deputy Speaker in the Chair*)

A BILL FOR AN ACT TO REPEAL THE NIGERIAN PORTS AUTHORITY ACT, CAP. 126, LFN, 2004 AND TO RE-ENACT THE NIGERIAN PORTS AND HARBOURS ACT, ESTABLISH THE NIGERIAN PORTS AND HARBOURS AUTHORITY TO PROVIDE FOR THE OWNERSHIP, MANAGEMENT, REGULATION AND DEVELOPMENT OF PORTS AND HARBOURS AND FOR RELATED MATTERS

PART I — PURPOSE AND APPLICATION OF THE ACT

Committee Recommendation:
Clause 1: **Purpose of the Act.**
(1) The purposes of this Bill are to —

(*a*) provide an appropriate institutional framework for the ownership, management, regulation and development of ports and harbour

(*b*) establish the Nigerian Port and Harbour Authority to manage and control Ports;

(*c*) ensure the integrity, efficiency and safety of the ports based on the principles of accountability, competition, fairness and transparency;

(*d*) encourage private sector participation in the provision of port services and port infrastructure; and

(*e*) promote and safeguard Nigeria's competitiveness and trade objectives.

(2) The purposes stated in sub-section (1) of this section shall be achieved through the —

(*a*) establishment of an authority which shall be vested with the control, and ownership ports and harbours in Nigeria;

(*b*) transfer of the technical regulatory powers relating to ports to the Authority; and

(*c*) transfer of the ownership of the land and assets relating to ports currently vested in the Nigerian Ports Authority to the Authority

(3) Subject to the purposes stated in subsection (1) of this section, the provisions of this Bill shall be read and interpreted in connection with the following specific objectives -

(*a*) the separation of the cargo handling from the landlord functions and the Technical regulatory functions within ports and foster greater operating efficiency, accountability and transparency in the management and operation of ports;

(*b*) provision of safe navigation, development and efficient management of harbours, channels and waterways and all other conservancy functions;

(*c*) facilitation of the transfer of technology, information systems and managerial expertise through private sector participation in port operations;

(*d*) creation of the means for planning, coordinating, developing and integrating port policies with other maritime activities, surface and air transportation systems;

(*e*) introduction and maintenance of appropriate institutional arrangements to support good governance and accountability in the ports;

(*f*) protection of the rights and interests of port service providers, commercial port users within Nigeria and ensuring that efficient and effective port services are available at a reasonable cost to the users;

(*g*) evolve and sustain high level of safety and environmental protection; and

(*h*) encourage the development of further innovations in the maritime and shipping sector to promote effective research and development of the sector (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 1 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 2: Application of the Act.

This Bill shall apply to —

(*a*) all port related activities carried out within the Nigerian maritime domain; any person or government agency with respect to any activity or operations in ports and harbours within Nigeria;

(*b*) any person or government agency with respect to any activity or operations in ports and harbours within Nigeria;

(*c*) any person or government agency with respect to any activity or operations in ports and harbours within Nigeria; and

(*d*) any other location where a maritime activity is taking place within the maritime domain of Nigeria (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 2 stands part of the Bill — ***Agreed to.***

PART II — ESTABLISHMENT OF THE NIGERIAN PORTS AND HARBOURS AUTHORITY AND ITS GOVERNING BOARD, ETC.

***Committee Recommendation*:**

Clause 3: Establishment of the Nigerian Ports and Harbours Authority.

(1) There is established a body to be known as the Nigerian Ports and Harbours Authority which shall have power in respect of operation and technical regulation of Ports and Harbours (in this Bill referred to as "the Authority")

(2) The Authority shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name

(3) The ownership of all ports and harbours owned by the Federal Government shall be vested in the Authority for and on behalf of the Federal Government of Nigeria.

(4) The Authority shall be structured into such Departments as the Board may from time to time approve for the effective discharge of its functions under this Bill.

(5) The common seal of the Authority shall be kept in the custody of the Board Secretary

(6) The Headquarters of the Authority shall be situate at any location as approved by the Federal Government of Nigeria (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 3 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 4: Establishment and membership of the Board.

(1) There is established for the Authority, a governing body (in this Bill referred to as 'the Board') which shall have overall control of the Authority.

(2) The Board shall consist of —

(*a*) a non-Executive Chairman;

(*b*) the Managing Director of the Authority;

(*c*) one representative not below the rank of a Director from the Ministry charged with the responsibility for Transport; and

(*d*) one person each from the six (6) geopolitical zones.

(3) Subject to subsection (2) of this section, the Minister shall upon consultation with the Authority formulate or review general policy direction of the government for the port sector and convey to the Authority the approved policy in writing.

(4) The Chairman and members of the Board referred to in paragraph (*d*) of subsection (2) of this section shall be appointed by the President on the recommendation of the Minister.

(5) Members of the Board referred to in subsection (2) of this section shall be persons of integrity possessing cognate experiences in relevant fields and versed in areas of ports, harbours and environmental management.

(6) In managing the affairs of the Authority, the Board shall, in addition to any relevant general guidance on the governance of public bodies, have regard to the generally accepted principles of good corporate governance.

(7) The supplementary provisions set out in the third Schedule to this Bill shall have effect with respect to the proceedings of the Board and the other matters mentioned therein (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 4 stands part of the Bill — **Agreed to.***

***Committee Recommendation*:**

Clause 5: Appointment and qualification of members of the Board.

(1) The Chairman and members of the Board shall be —

(*a*) appointed by the President on the recommendation of the Minister; and

(*b*) persons of proven integrity with relevant cognate experience of not less than twenty (20) years in any of the following areas —

(*i*) law;

(*ii*) marine transport or maritime administration;

(*iii*) shipping;

(*iv*) finance;

(*v*) port management;

(*vi*) infrastructure asset management; or

(*vii*) engineering.

(2) The Minister shall take into consideration the functions of the Authority under this Bill when recommending persons for appointment to the Board.

(3) A person shall not be appointed or remain in office as a member of the Board if that person —

(*a*) is not a citizen of Nigeria;

(*b*) is a serving member of the National Assembly, State House of Assembly or any Local Government Council;

(*c*) is incapacitated by any physical illness;

(*d*) has been certified to be of unsound mind;

(*e*) is an un-discharged bankrupt;

(*f*) has been convicted in Nigeria or elsewhere of a felony;

(*g*) has at any time been removed from office on account of misconduct; or

(*h*) at the relevant time, is a Director of or acts in any executive capacity in one or more companies or bodies, however constituted, with responsibility for managing or regulating or providing any services to or within any ports, harbours, waterways or creeks in Nigeria.

(4) The conflict of interest provisions contained in the Schedule IV to this Bill shall be applicable to all Directors of the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 5 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 6: Tenure of office.

The Chairman and members of the Board, other than the Managing Director, shall be appointed on part- time basis and shall each hold office —

(*a*) for a term of four years and may be re-appointed for a further term of four years and no more; and

(*b*) on such terms and conditions as may be specified in the letter of appointment (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 6 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 7: Cessation of membership.

(1) Notwithstanding the provision of section 5 of this Bill, a member of the Board shall cease to hold office as a member of the Board if he —

(*a*) resigns his appointment as a member of the Board by a notice in writing, under his hand, addressed to the President;

(*b*) becomes incapable of carrying on the function of his office either arising from infirmity of mind or body;

(*c*) becomes bankrupt or makes a compromise with his creditors;

(*d*) is convicted of a felony or any offence that involves dishonesty or corruption;

(*e*) is found to have been unqualified for appointment as a director;

(*f*) has been absent from five consecutive meetings of the Board without the consent of the Chairman except where he shows good reason for such absence;

(*g*) is in breach of the conflict of Interest Rules set out in the fourth Schedule to this Bill

(*h*) is guilty of serious misconduct in relation to his duties as a director; or

(*i*) is suspended or removed from office by the President on the recommendation of the Minister where it is found that it is not in the interest of the Authority or public for the person to continue in office.

(2) Where a vacancy occurs in the membership of the Board, it shall be filled by the appointment of a successor to —

(*a*) hold office for the remainder of the term of office of his predecessor; and

(*b*) represent the same interest as his predecessor (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 7 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 8: Remuneration of Board Members.

All payments, allowances and benefits payable to members of the Board shall be in accordance with the extant Federal Government guidelines (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 8 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 9: Powers of the Board.

The Board shall have the power to —

(*a*) provide general policy guidelines relating to the functions of the Authority;

(*b*) manage and superintend the policies of the Authority;

(*c*) determine the terms and conditions of service of the employees of the Authority;

(*d*) fix the remuneration, determining the job description, qualifications, allowances and benefits of staff and employees of the Authority in accordance with extant Federal Government regulations; and

(*e*) do such things which in its opinion are necessary to ensure the efficient performance of the functions of the Authority under this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 9 stands part of the Bill — ***Agreed to.***

PART III — FUNCTIONS AND POWERS OF THE AUTHORITY

***Committee Recommendation*:**

Clause 10: Functions of the Authority.

(1) The Authority shall —

(*a*) develop a plan for, undertake and supervise the dredging and maintenance of channels within the Ports limit and its approaches in Nigeria;

(*b*) develop a plan for and maintain national strategic port planning and implement same;

(*c*) provide and maintain aids to navigation, lighting and mooring in ports and harbours;

(*d*) provide pilotage services, waste reception facilities and other ports infrastructure;

(*e*) develop and enforce technical regulations on operations, construction and installations within the ports and harbours;

(*f*) develop channels and approaches to ports and harbours;

(*g*) implement guidelines for port security, health and safety, environmental protection and coastal conservancy;

(*h*) promote and facilitate private sector participation and investment in the provision of port services and facilities;

(*i*) approve the establishment and planning of off-shore cargo-handling facilities and related services;

(*j*) represent Nigeria in regional and international fora on matters relating to and connected with ports and harbours in collaboration with other relevant government agencies;

(*k*) implement and ensure compliance with international maritime obligations related to and connected with ports and harbours under applicable international conventions and protocols;

(*l*) provide landlord services in ports and harbours, in an economically, socially and environmentally sustainable manner;

(*m*) ensure that the ports are effectively integrated with other systems of infrastructure within and outside the ports, in co-operation with other relevant bodies;

(*n*) facilitate the sustainable growth of trade through the ports;

(*o*) provide or arrange for the provision of facilities, services, accommodation and land in the harbours for vessels, goods and passengers;

(*p*) direct and control the movement of vessels within ports and harbours, and provide or arrange for the provision of pilotage services;

(*q*) provide for and maintain all coastal and channel management services;

(*r*) develop and deploy resources in ports to enhance port security;

(*s*) engage in any business activity, either alone or in partnership with other persons, in accordance with the provisions of this Bill, as may be approved by the Minister;

(*t*) provide or arrange road and rail access to ports and facilitate the integration of infrastructure in and around the ports, in co-operation with relevant public and private sector stakeholders;

(*u*) provide requisite assistance, including search, rescue and salvage operations to any vessel entering or leaving any port and within the approaches to the ports for the purpose of saving life and property;

(*v*) develop implementation and operational strategies suitable to the peculiarities and economic viability of the ports with due regard to the consequences of its activities on the environment and the heritage, whether natural or man-made;

(*w*) grant concessions to private entities in accordance with the laid down processes;

(*x*) ensure compliance of private operators with its overall policy on health and safety, environmental protection, coastal conservancy; and

(*y*) perform such other functions as may be necessary to give effect to the provisions of the Act.

(2) The Authority shall take steps to ensure the effective planning and management of the ports and harbours.

(3) The Authority shall perform its functions in a manner that is —

(*a*) safe and secure;

(*b*) environmentally sustainable;

(*c*) effective and efficient; and

(*d*) commercially viable (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 10 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 11: General powers of the Authority.

(1) The Authority shall have power to —

(*a*) develop, own and control ports, whether by itself or in partnership;

(*b*) advise government on and implement national port policies and development strategies;

(*c*) enter into contracts, agreements or leases and all other such obligations or arrangements;

(*d*) grant permits, operational licences and approvals for services and facilities provided either to or for the Authority on such terms and conditions as it may determine;

(*e*) employ agents, consultants or contractors;

(*f*) construct, execute, carry out, equip, improve, work and develop ports, docks, harbours, piers, wharves, canals, water courses, embankments and jetties;

(*g*) erect, construct, lay down, enlarge, maintain and alter any building, erection and work which may seem directly or indirectly necessary or convenient for any of its purposes;

(*h*) acquire any undertaking of any registered business that affords facilities for the loading, unloading or warehousing of any goods in any port in Nigeria;

(*i*) win sand from ports and their approaches for such purposes as it may deem fit;

(*j*) undertake activities for the purpose of advancing the:

(*i*) skills of persons employed; or

(*ii*) efficiency of the equipment or the manner in which such equipment is operated, including the provision by others of the facilities for training, education and research;

(*j*) provide residential accommodation, houses, hostels and other like accommodation for its employees on essential duties on terms and conditions to be determined, from time to time, by the authority;

(*k*) regulate and provide bunkering and chandelling services;

(*l*) provide or arrange for maintenance dredging, aids to navigation, hydrographic services and wreck removal;

(*m*) in collaboration with relevant agencies, plan and provide services in all off-shore cargo handling facilities;

(*n*) concession terminal operations and related services to third parties in accordance with the provisions of relevant laws;

(*o*) provide, for the approaches to all ports and territorial waters of Nigeria, such as pilotage services and lights, marks and other navigational services and aids, including cleaning deepening and improving of channels, approaches and its waterways;

(*p*) provide and use appliances for the towage or protection or salvage of life and property or for the prevention of fire within Nigeria maritime domain and on vessels on the high seas;

(*q*) supply water to vessels; and

(*r*) do such other things which are necessary to ensure the efficient performance of the functions of the Authority under this Bill.

(2) The Authority shall have power make bye-laws for the control and management of the wharves and premises and, in particular may, without prejudice to the generality of the foregoing, make bye-laws for regulating declaring and defining the wharves, docks, piers and places vested in or in the possession of the Authority on or from which goods shall be landed and shipped (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 11 *stands part of the Bill — **Agreed to**.*

***Committee Recommendation*:**

Clause 12: Special powers of the Authority.

(1) The Authority may, with the approval of the Board —

(*a*) establish and maintain subsidiaries, whether wholly or jointly with other persons or organisations for the purpose of carrying out any its functions under this Bill;

(*b*) appoint directors and agents for the subsidiaries established pursuant to the provisions of paragraph (*a*) of this sub-section; and

(*c*) participate in the formation of or be a member of any company for the purpose of carrying out all or any of its functions under this Bill.

(2) The Authority may levy such port dues and such general charges upon goods or cargo loaded and discharged in the ports as it may deem necessary for the maintenance, improvement or development of ports (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 12 *stands part of the Bill* — ***Agreed to.***

PART IV — STAFF OF THE AUTHORITY

Committee Recommendation:

Clause 13: Managing Director of the Authority.

(1) There shall be for the Authority, a Managing Director who shall be —

(*a*) appointed by the President on the recommendation of the Minister;

(*b*) the chief executive and account officer of the Authority; and

(*c*) responsible for the —

(*i*) execution of the policy and the day-to-day administration of the Authority, and

(*ii*) direction, supervision and control of all other employees of the authority and subject to such restrictions as the Board may impose, for disposing all questions relating to the service of the employees, their pay, allowances and benefits.

(2) The Managing Director shall hold office —

(*a*) for a term of four years and may be re-appointed for a further term of four years and no more; and

(*b*) on such terms and conditions, as may be specified in his letter of appointment.

(3) Despite the provisions of sub-section (2) of this section, the Managing Director may resign his appointment by notice in writing under his hand, addressed to the President through the Board.

(4) A person shall not be appointed or remain in office as a member of the Board if that person —

(*a*) is not a citizen of Nigeria;

(*b*) is a serving member of the National Assembly, State House of Assembly or any Local Government Council;

(*c*) is incapacitated by any physical illness;

(*d*) has been certified to be of unsound mind;

(*e*) is an un-discharged bankrupt;

(*f*) has been convicted in Nigeria or elsewhere of a felony;

(*g*) has at any time been removed from office on account of misconduct; or

(*h*) at the relevant time, is a Director of or acts in any executive capacity in one or more companies or bodies, however constituted, with responsibility for managing or regulating or providing any services to or within any ports, harbours, waterways or creeks in Nigeria (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 13 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 14: Secretary to the Board of the Authority.

(1) The Board shall have a Secretary who shall be the Head of the Legal Department of the Authority.

(2) The Secretary shall be a legal practitioner of not less than 15 years post-call experience.

(3) The Secretary shall report to the Managing Director and be responsible for —

(*a*) making arrangements for meetings of the Board and preparing the agenda and minutes of such meetings;

(*b*) communicating the decisions of the Board to members of the Board and keeping records of the Board's meetings and proceedings;

(*c*) keeping the corporate seal and records of the Authority

(*d*) arranging for payments of fees and allowances of meetings and all other matters affecting members of the Board; and

(*e*) such other duties affecting the Authority as the Board may direct from time to time (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 14 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 15: Other staff of the Authority.

(1) The Authority may, subject to the approval of the Board, appoint such other staff as it may deem necessary from time to time —

(*a*) for the proper and effective discharge of the duties and functions of the Authority; and

(*b*) on such terms and conditions as may be determined by the Board from time to time,

(2) The employees of the Authority shall be subject to the Conflict of Interest provisions contained in the Third Schedule to this Bill.

(3) Service in the Authority shall be approved service for the purposes of the Pension Reforms Act, 2004.

(4) Nothing in subsection (3) of this section shall preclude the Authority from engaging persons on non-pensionable terms and conditions except where such capacity is lacking in the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 15 *stands part of the Bill* — ***Agreed to.***

PART V — FINANCIAL PROVISIONS

***Committee Recommendation*:**
Clause 16: Fund of the Authority.

(1) There is established for the Authority a fund ("the Fund") comprising —

(*a*) all charges, dues, levies, fees, and penalties collected by the Authority under this Bill or regulations made hereunder;

(*b*) technical Assistance, gifts, aids, and testamentary disposition;

(*c*) other financial assets that may from time to time be vested in or accrue to the Authority in the course of performing its functions under this Bill;

(*d*) monies collected or received by the Authority for services rendered or facilities provided;

(*e*) monies borrowed and capital raised by the Authority under this Bill or any other enactments; and

(*f*) such other sums of monies as may be received by the Authority.

(2) The Fund shall be managed in accordance with extant Financial Regulations applicable in the Public Service and rules made by the Board (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 16 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 17: Exemption from Tax.

(1) The Authority shall be exempted form payment of income tax on any income accruing from investments made by the Authority or otherwise howsoever.

(2) The provisions of any enactment relating to the taxation of companies or trust funds shall not apply to the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 17 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 18: Reserve Funds.

(1) Subject to Section 25 of this Bill, the Authority shall establish and maintain a general reserve fund arising out of its operating surplus in accordance with the provisions of the Fiscal Responsibility Act.

(2) The management of the reserve funds, the charges to be made against the reserve funds and any other application of the monies comprised in the reserve funds shall be exercised by the Authority in accordance with guidelines determined by the Minister (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 18 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 19: Application of Authority's monies.

(1) Subject to section 26 of this Bill and subsections (2) and (3) of this section, the revenue of the Authority for any financial year shall be applied as approved by the Minister.

(2) The Authority shall submit to the Minister a three year plan on use of monies from the Funds referred to in section 26 of this Bill, including the concession fees generated.

(3) The plan referred to in subsection (2) of this section shall be reviewed annually by the Minister (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 19 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 20: Financial Year.

The financial year of the Authority shall commence on 1st January of each year and end on 31st December of the same year (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 20 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 21: Power to borrow and invest money.

(1) The Authority may, with the approval of the Minister and in accordance with the applicable laws governing borrowings by public bodies, borrow such sums of money or raise capital, otherwise, than from the Government as the Authority may require in the exercise of its function.

(2) The Authority may invest all or any part of its monies in such manner as may be approved by the Minister (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 21 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 22: Inspection of accounts and records.

(1) The accounts and records of the Authority shall during official working hours be opened for inspection to —

(*a*) any member of the Board; or

(*b*) any other person specially authorized do so by the Minister

(2) The books of accounts shall be kept at the Head Office of the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 22 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 23: Statement of accounts.

(1) The Authority shall keep proper and regular accounts and other records of monies received and paid by it and of the several purposes for which such monies have been received or paid, and of its assets, credits and liabilities.

(2) The Authority shall take all necessary steps to ensure that all payments out of its Funds and bank accounts are correctly made and properly authorised and that adequate control is maintained over the assets in its custody and over the expenditure incurred (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 23 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 24: Audit.

(1) The accounts of the Authority shall be audited annually by auditors appointed by the Authority based on the guidelines issued from time to time by the Auditor-General of the Federation.

(2) The Authority shall not later than 3 months after the close of each financial year, prepare and submit its financial statements in respect of that year to the auditors who shall audit and report on the financial statements.

(3) The auditor shall, not later than 2 months after the accounts have been submitted for audit, forward the audit report to the Authority and submit such periodical and special reports as the Minister or the Authority may require.

(4) The Authority shall not later than 2 months after the financial statements of the Authority have been audited in accordance with the requirement of this Bill, the Authority shall forward a copy of the audited financial statements to the Minister, together with any report or observations made by the auditor or auditors on the statement of accounts.

(5) The audit report shall in addition to the standard auditing requirements state —

(*a*) whether the financial statements show fairly the financial transactions and the state of affairs of the Authority;

(*b*) whether proper accounting and other records have been kept, including records of all assets of the Authority whether purchased, donated or otherwise acquired;

(*c*) whether the receipts, expenditure and investment of monies, the acquisition and disposal of assets by the Authority during the year have been in compliance with the provisions of this Bill; and such other matters arising from the audit.

(6) A firm shall not be qualified for appointment as auditors under subsection (3) this section unless it is registered under the Companies and Allied Matters Act and any other applicable law.

(7) The remuneration of the auditors shall be paid out of the Funds of the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 24 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 25: Annual and other Reports.

(1) The Board shall, not later than 2 months after the end of each financial year, make a report to the Minister on its activities and performance during that year.

(2) The annual report for each year shall include —

(*a*) a general survey of developments in respect of matters relating to its functions;

(*b*) an assessment of the extent to which its main objectives and priorities for the year as set out in the annual plan have been achieved;

(*c*) a summary of the significant activities carried out by it during the year;

(*d*) a summary of the allocation of its financial resources to its various activities during the year, including, without limitation, the emoluments of its directors;

(*e*) an assessment of its performance and practices in relation to its functions in accordance with applicable performance indicators; and

(*f*) its budget for the next financial year.

(3) The Board may —

(*a*) prepare other reports in respect of matters relating to any of its functions; and

(*b*) arrange for any such report to be published.

(4) The Board shall cause the annual report of the Authority to be published at the end of each financial year (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 25 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 26: Estimates of revenue and expenditure.

(1) The Authority shall, within 2 months after the end of each financial year, make a report to the Minister on its activities during that year and its proposed undertakings for the ensuing year and the report shall contain such information with respect to the proceedings and policy of the Authority as the Minister may require.

(2) The Authority shall submit to the Minister such financial and statistical returns or such other reports on the financial position of the Authority as the Minister may require.

(3) The Authority shall not later than four (4) months to the end of the financial year, prepare and forward to the Minister for consideration and presentation to the National Assembly for approval, a statement of estimated income and expenditure for the following financial year.

(4) The Authority may during the year for which estimates have been approved under this section, cause supplementary estimates to be prepared (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 26 stands part of the Bill — ***Agreed to.***

Committee Recommendation:
Clause 27: Conduct of affairs.
It shall be the general duty of the Authority to —

(*a*) conduct its affairs in a manner to ensure that its revenue is sufficient to —

(*i*) meet all charges which are chargeable to its revenue account, and

(*ii*) generate a proportion of the capital it requires; and

(*b*) conduct its business in a cost effective and efficient manner (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 27 stands part of the Bill — ***Agreed to.***

PART VI — DECLARATION OF PORTS

Committee Recommendation:
Clause 28: Declaration of Ports.
(1) The Minister may by order —

(*a*) declare any place in Nigeria and any navigable channel leading into that place to be a port within the meaning of this Bill;

(*b*) specify the limits of any place declared as a port in accordance with paragraph (*a*) of subsection (1) of this section;

(*c*) declare any navigable channel leading into a port to be an approach to that port;

(*d*) declare any place in Nigeria to be an inland port or container depot; and

(*e*) make any variations in the limits of any port or the approaches to the Port.

(2) The places specified in the First Schedule to this Bill, shall be deemed to be ports, and the limits of and approaches to any port shall until other provision is made in accordance with paragraph (*b*) of subsection (1) of this section, be the limits declared and in force immediately before the commencement of this Bill and shall include —

(a) ocean beaches within 100 metres of high-water mark; and

(b) the waterways leading to the ports, creeks and swamp-land below the highest astronomical tide level and all beacons, moles, piers, slipways, quays and other works extending beyond the natural line of the high-water level.

(3) The Minister may exercise his powers to declare a port within the meaning of this Bill or to specify the limits of any port, if he is satisfied that such a place, if declared to be a port, is —

(a) likely to remain financially self-sufficient;

(b) of strategic significance to Nigeria's trade; or

(c) linked to a major rail line or highway.

(4) Declaration of a port made pursuant to the provision of subsection (3) of this section shall be based upon a feasibility study and satisfactory Environmental Impact Assessment (EIA).

(5) Any Order made by the Minister under subsection (1) of this section shall contain the following information —

(a) the name of the port;

(b) the navigable waters and the limits; and

(c) any other provision that the Minister considers appropriate to include in the Order (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 28 stands part of the Bill — Agreed to.

PART VII — THE AUTHORITY'S POWERS

Committee Recommendation:

Clause 29: Technical Powers.

The Authority's Landlord technical powers shall include —

(a) giving directions consistent with the provisions of this Bill to any person granted a concession under this Bill;

(b) implementing standards and codes on all providers and users of marine and port services and facilities;

(c) implementing regulations, standards and codes regarding port security and safety and ensuring compliance with such regulations, standards and codes;

(d) prescribing the limits within, and the levels to which dredging may be carried out;

(e) monitoring and ensuring compliance by all service providers with applicable laws and regulations;

(f) providing vessel traffic control and aids to navigation;

(*g*) ensuring that orderly, efficient and reliable transfer of cargo and passengers between sea and land is provided by operators;

(*h*) ensuring that safe, adequate and secure warehousing and storage is provided by operators within the ports;

(*i*) monitoring the performance of terminal operators;

(*j*) ensuring that operators use port facilities to their fullest capacity in the most efficient manner;

(*k*) collecting from concessionaires, licensees and other port service providers data and information needed for accurate planning, reporting and monitoring; and

(*l*) carrying out such other activities as are necessary or convenient in connection with its landlord functions (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 29 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 30: Reserved operational powers.

Subject to section 31 of this Bill, the Authority may provide or cause to provide any port services or facilities, notwithstanding that a concession has been granted to any person if -

(*a*) the person has failed or is not discharging his obligation satisfactorily under the concession Agreement;

(*b*) the person has abandoned his responsibilities or obligations under the concession Agreement; or

(*c*) upon termination of the concession for any reason whatsoever (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 30 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 31: Power to acquire land and deal with assets.

(1) The Authority may acquire land or immoveable or movable property for its use.

(2) The Authority may reclaim, excavate, enclose, raise or develop any of the lands acquired by or vested in it, constantly keeping in view the impact of its activities on the environment.

(3) The Authority may acquire by purchase, gift or otherwise, moveable or immovable property and any interest in such property and with the approval of the Minister, may dispose of or deal with any movable property or any interest acquired in the movable property upon such terms and conditions as the Authority may deem fit.

(4) The Authority may dispose of or transfer any of its immovable property vested in it as public property by the Federal Government only with the express written consent of the President (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 31 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 32: Power to enter into leases, concession agreement, etc.

(1) Subject to the provisions of section 34 of this Bill, the Authority may enter into leases, concession agreements, operating agreements, or other arrangements with private parties for the occupation of its land for the purpose of enabling such parties to operate or perform port related activities or services.

(2) Subject to the provisions of this Bill, the Authority may lease or concede its premises to terminal operators, shipping companies, shipbuilding companies or any other licensed operator.

(3) The exercise of the Authority's power under this section shall at all times be conducted in a competitive and transparent manner (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 32 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 33: Power to enter land to erect beacons, conduct surveys and remove obstruction to make lighthouses and beacons visible.

(1) An authorised employee or agent of the Authority may enter and remain on any land for the purposes of erecting of beacons, buoys and moorings, to survey or perform any of their duties under this Bill.

(2) An authorised employee of the Authority may, with all proper assistance where required, enter on any land and cut and remove all trees, Underwood and vegetation, which may interfere with the visibility of any lighthouse or beacon from any point or place:

Provided that the authorised employee or agents shall enter any land, building or an enclosed court or garden attached to a dwelling house with the consent of the owner or occupier thereof which consent shall not be unreasonably withheld and unless at least fourteen (14) days' notice of the intended entry have been given to the owner or occupier (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 33 *stands part of the Bill* — ***Agreed to.***

PART VIII — CONCESSION

Committee Recommendation:

Clause 34: Prohibition against operating in ports without concession, licence or permit.

A person shall not provide in a port, any marine or port service or facility unless he is authorized to do so by the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 34 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 35: **Power to grant concessions.**

(1) The Authority may grant a concession subject to laws relating to or governing concessions on such conditions as the Authority may impose and as may be specified in the concession agreement, authorising any person to provide any marine service or facility or any port service or facility.

(2) A concession granted under this Bill shall be for a term agreed upon by the parties provided that no concession can be granted which duration (including any renewals) is above five years without the approval of the President (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 35 *stands part of the Bill* — ***Agreed to.***

PART IX — TARIFF REGIME OF THE AUTHORITY

Committee Recommendation:

Clause 36: **Tariff.**

In this Part —

"Port industry" means the provision of or use of port services and facilities in ports and harbours within Nigerian waters.

"Prescribed goods and services" means any goods or services made, produced, supplied or provided by or within the port industry which include —

(*a*) providing access to channels, harbours and terminals for use by shipping on a non discriminatory basis;

(*b*) providing berths for vessels at any Nigerian port;

(*c*) providing port facilities for loading and of unloading vessels at a declared port;

(*d*) providing for storage of goods at a declared port;

(*e*) providing access to land in connection with the provision of services of any of the kinds mentioned above on a non discriminatory basis; and

(*f*) any other port services as may be prescribed from time to time by the Authority.

"Prescribed tariff" means the tariff or tariff-range howsoever designated for the provision, supply or sale of any equipment, goods or services in the port industry or particular factors used in tariff-fixing or terms and conditions relating to the tariff at which particular goods or services are provided, supplied or sold.

"Tariff" includes fees, prices, dues, charges and rates (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 36 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 37: Dues payable to the Authority.

(1) Subject to the provisions of this Bill, the Authority may levy port charges, dues, fees, rates and general tariff on, and prescribe charges or scale of charges and impose penalties or interest on outstanding charges in respect of all or any of the services mentioned in this section.

(2) Tariff in relation to the provision of port and other services shall include —

(*a*) ship and cargo dues for the provision of pilotage;

(*b*) light dues for the provision of aids to navigation along the coast or channels of the ports and within ports;

(*c*) towage dues for the provision of tug services;

(*d*) berth rent for the use of berthing facilities and services;

(*e*) charges for mooring of vessels and boats;

(*f*) charges for embarkation and disembarkation of persons;

(*g*) charges for use of ferry services;

(*h*) pollution dues and fines for the provision of waste disposal and waste management services in the ports; and

(*i*) charges for offshore stevedoring services.

(3) Tariff in relation to the provision and maintenance of port infrastructure, port terminals and port facilities shall include —

(*a*) land rentals;

(*b*) port dues for the provision and maintenance of entrance channels, breakwaters, basins, aids to navigation and maintenance dredging within the port limits;

(*c*) harbour access charges;

(*d*) cargo dues for the movement of cargo within the ports;

(*e*) tariffs for granting concessions and permits;

(*f*) charges for shipping and transhipping of goods and persons; and

(*g*) any other services provided by the Authority in the execution of its duties.

(4) The Authority may require any person to provide such security as it deems fit for the payment of any fee payable to the Authority.

(5) Where any request for the rendering of services or the provision of facilities is withdrawn or cancelled, without prior notice, the fees contemplated in subsection (1), (2) and (3) of this section, shall remain due and payable as if the services or facilities had been rendered or provided.

(6) Charges prescribed under this section shall be published.

(7) The Authority shall not directly levy any charges or dues for services which are provided by a concessionaire for which the concessionaire has been authorised to collect charges and levies directly from port users under section 51 of this Bill.

(8) The Authority may vary or alter charges prescribed under this section from time to time in accordance with regulations made by the Regulator.

(9) With respect to charges not listed in this section or otherwise provided in the regulations made under this Bill, the Authority may in compliance with the appropriate guidelines from the Regulator and in compliance with the applicable law, impose such charges as it deems necessary and consistent with its functions under the Act (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 37 *stands part of the Bill — Agreed to.*

***Committee Recommendation*:**

Clause 38: Harbour dues, fees, rates and persons liable to pay.

(1) Subject to the provisions of this Part and the approval of the Regulator and in compliance with applicable law, the Authority may levy such harbour dues, fees and rates on every vessel —

(*a*) entering or leaving a port or the approach to a port or Nigeria Maritime domain in respect of the passengers, animals or cargo carried on the vessel; or

(*b*) arrested at any berth or place within the port.

(2) The Authority may charge such dues as it deems fit in respect of every movement of a vessel within a pilotage district.

(3) The following persons shall be liable for the payment of harbour dues and rates —

(*a*) the vessel agent;

(*b*) in the case of harbour dues or rates payable in respect of inbound cargo, passengers or animals, every consignor or agent of the vessel who has paid or made himself liable to pay any charge on account of the vessel in its port of arrival or discharge; and

(*c*) in the case of harbour dues or rates payable in respect of outbound cargo, passengers or animals, every consignee or agent of the vessel who has paid or made himself liable to pay any charge on account of the vessel in its port of departure (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 38 *stands part of the Bill — Agreed to.*

***Committee Recommendation*:**

Clause 39: Master to supply information on arrival.

(1) The Master of a vessel arriving in a port shall produce to the Authority —

(*a*) the vessel's full documentation;

(*b*) a list of all inbound cargo, passengers and animals, the name of the consignee of the cargo intended to be discharged;

(*c*) where —

(*i*) the whole cargo is intended to be discharged, a copy of the manifest of the cargo, or

(*ii*) only a part of the cargo is intended to be discharged, the written details of the types, weights and quantities of such cargo;

(*d*) a declaration of any hazardous cargo including its detailed description and peculiarities; and

(*e*) such other information in relation to the vessel, passengers, animals and its cargo as may be prescribed by the Authority.

(2) The particulars required by subsection (1) of this section shall be produced in such form and within such time as may be prescribed by the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 39 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 40: Master to supply information before departure.

(1) The master of a vessel shall when applying for the clearance of his vessel, produce to the Authority —

(*a*) a list of all outbound cargo, passengers and animals;

(*b*) written details of the types, quantities and weights of all cargo shipped on board in the port; and

(*c*) such other information in relation to the vessel, cargo, passengers or animals as may be prescribed by the Authority.

(2) The particulars required to be produced under subsection (1) of this section shall be delivered in such form and within such time as may be prescribed by the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 40 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 41: Time for payment of harbour dues.

Harbour dues and rates payable in respect of —

(*a*) inbound cargo, passengers or animals shall be paid before arrival of the vessel; or

(*b*) outbound cargo, passengers or animals, shall be paid before loading commences (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 41 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 42: Ship and pilotage dues.

(1) Subject to the provisions of this Part, the Authority shall levy on any vessel or structure —

(*a*) ship dues and rates for lighthouse and conservancy;

(*b*) ship dues and rates for buoyage, anchorage, mooring buoy, buoys for pollution control, berthing and other services rendered to a vessel; and

(*c*) pilotage dues

(2) The dues and rates mentioned under this Part shall be prescribed by regulations issued in accordance with the provisions of this Bill.

(3) The following persons are liable to pay ship dues and rates charged in respect of light, conservancy, buoyage, anchorage, mooring buoy, berthing and other services rendered to a vessel —

(*i*) the master or owner;

(*ii*) every consignee or agent who has paid or made himself liable to pay any dues on account of the vessel in her port of arrival or departure.

(4) The following persons shall be liable to pay pilotage fees and rates charged on a ship under this Bill —

(*a*) the master or owner; and

(*b*) in the case of —

(*i*) pilotage inwards, every consignee or agent who has paid or made himself liable to pay any fees on account of the vessel in her port of arrival or departure, and

(*ii*) pilotage outwards, every consignee or agent who has paid or made himself liable to pay any fees on account of the vessel in her port of departure (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 42 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 43: Consignee or agent may retain ship's dues out of owner's money.

When any vessels' dues are paid by a person who is made liable under the provisions of this Bill not being the master or owner of the vessel, that person may retain, out of any money in his hands received on account of the vessel or its owner —

(*a*) the amount of dues paid by him; and

(*b*) any reasonable expenses he may have incurred by reason of that payment or liability (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 43 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 44: **Levy of rates.**

Subject to the provisions of this Part, the Authority shall levy such rates made by regulations pursuant to this Bill, prescribe for the use of any facility, work or appliance provided or any service to be performed in respect of any vessel or goods and for any of the following —

(*a*) the landing, loading, shipping, wharfage, cranage, storage, carriage or demurrage of goods;

(*b*) the carriage of passengers or animals;

(*c*) the use by any vessel or person of any wharf;

(*d*) the use of any gear, tackle, tool, instrument or staging supplied for the purpose of any vessel using any wharf;

(*e*) the use of any vessel or lighter, or any engine or boat for the extinction of fire, belonging to or maintained by the Authority;

(*f*) the towing of, and rendering assistance to, any vessel, whether leaving or entering a wharf within or outside of the port;

(*g*) for water supplied by the Authority;

(*h*) for the removal of waste or refuse from any vessel;

(*i*) for monitoring port environmental pollution control;

(*j*) for performing any transhipment operation; or

(*k*) for any offshore Stevedoring Services (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 44 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 45: **Rates Payable.**

(1) The following rates shall be paid, in the case of goods —

(*a*) to be discharged, immediately on the discharge of the goods; and

(*b*) to be removed from the premises of the Authority or to be shipped, before the goods are removed or loaded on board a vessel.

(2) Lien on goods for rates shall have priority over all other liens and claims against the goods (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 45 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 46: **Lien for freight preserved after landing if notice is given.**

(1) Where the master or owner of a vessel, or his agent or the person by whom the goods are discharged, at or before the time of discharge from the vessel of any goods at any wharf or other premises of the Authority, gives notice in writing that those goods are to remain subject to a lien for freight, primage or general average or charges to an amount to be mentioned in the notice, the goods shall continue to be liable to the same lien, if any, for the charges as they were subject before the landing of the goods.

(2) The Authority shall retain the goods at the risk and expenses of the owner of the goods until the lien is discharged in accordance with the provision of this Bill, or until the goods are sold by the Authority in accordance with the provisions of section 47 of this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 46 *stands part of the Bill — **Agreed to.***

***Committee Recommendation*:**

Clause 47: Discharge of lien by payment or release.

The Authority may permit goods liable to a lien to be removed on production of —

(*a*) a receipt for the amount claimed; or

(*b*) a release notice for the amount of any lien to which goods are liable from the person by or on whose behalf a notice has been given (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 47 *stands part of the Bill — **Agreed to.***

***Committee Recommendation*:**

Clause 48: Power of the Authority to sell if rates are not paid or lien not discharged.

(1) Where the rates payable in respect of any goods are not paid or the lien for freight, primage, general average or charges after the issuance of notice under the provisions of this Bill is not discharged, the Authority shall sell by public auction —

(*a*) at the expiration of 60 days from the time when the goods were placed in its custody; or

(*b*) if the goods are of perishable nature, at such earlier period, not less than 24 hours after the discharge of the goods.

(2) The Authority may sell the goods in accordance with the provision of sub-section (1) of this section, if request is made in writing by or on behalf of the person claiming the lien for freight, primage, general average or charges under the provisions of this Bill.

(3) The Authority shall, before putting up goods for sale under subsection (1) of this section, give 21 days' notice of the sale in at least two widely read national daily newspapers unless the goods are of a perishable nature and in the opinion of the Authority, the immediate sale is necessary and advisable, in which case the notice is to be given as the urgency of the case admits.

(4) Where the address of the owner of the goods or of his agent is on the manifest of the cargo, or in any of the documents which have come into the custody of the Authority is known and is within Nigeria, notice shall also be given to the owner of the goods by letter delivered at that address by hand or by post.

(5) The title of a bonafide purchaser of goods sold under this section shall not be invalidated by reason of the omission to send a notice under this section, and the purchaser is not bound to inquire whether the notice has been sent.

(6) The power of the Authority under the provisions of this section shall be exercisable by any concessionaire so authorised by the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 48 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 49: Application of proceeds of sale.

(1) The proceeds of any sale made in accordance with the provisions of this Bill shall be applied in the following order —

(*a*) customs and excise duties and warehouse rent owed in respect of the goods;

(*b*) the expenses of the sale;

(*c*) rates and expenses due to the Authority in respect of the goods;

(*d*) freight and other claims or lien of which notice has been given under the provisions of this Bill; and

(*e*) surplus, if any, shall be paid to the owner of the goods on demand.

(2) Where demand is not made within one year from the sale of the goods, the surplus of the proceeds of sale shall be paid to the general account of the Authority and all rights of the owner to the payment shall be extinguished (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 49 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 50: Power of the Authority to prescribe dues, fees and rates.

(1) The Authority may make regulations —

(*a*) for the levying of dues, fees and rates for the purposes of this Bill;

(*b*) prescribing the conditions on which any work or service will be levied;

(*c*) prescribing the officer and department to whom any information required under this Part,shall be delivered and the place of the delivery and the time within which it shall be made;

(*d*) prescribing the officer and department to whom dues, fees or rates shall be paid, the place of payment and the time within which payment shall be made;

(*e*) providing for the exemption of any vessel, cargo, passenger or animal from all or any dues, fees or rates or part thereof; and

(*f*) for any other matter which is necessary to give effect to the provisions of this Part.

(2) The regulations made under this section may prescribe different dues, fees or rates for different ports, vessels, cargo, passengers or animals (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 50 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 51: Assignment of power to collect dues.

A Concessionaire shall with the approval of the Authority in writing, collect dues and fees directly from the port users for services rendered (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 51 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 52: Power of entry to ascertain dues.

The Authority may, either alone or with any other person, enter into any vessel within the limits of any port, in order to ascertain the dues, fees or rates payable (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 52 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 53: Weighing and measuring of goods in case of disputes.

Where any difference arises between the Authority and the master of any vessel or the owner of any goods, concerning the weight or quantity of the goods or vessel's draught in respect of which any dues, fees or rates are payable, the Authority —

(*a*) shall cause all the goods or vessel's draught to be weighed and measured; and

(*b*) may, if necessary, detain the vessel and the goods until they have been weighed or measured (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 53 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 54: Payment of cost of weighing and measurement.

(1) Where the weight or measurement of the goods or vessel's draught referred to in this Bill are more than that shown by the particulars delivered by the master, the expenses of the weighing or measuring in addition to a 100 percent penalty for the under-declared weight or measurement shall be paid to the Authority by the master, and shall be recoverable in the same manner as dues leviable under this Part.

(2) Where the weight or quantity of the goods or vessel's draught is the same as that shown by the particulars delivered by the master the Authority shall pay all the expenses of the weighing or measuring and of any unreasonable delay of the vessel (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 54 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 55: Power of distrain for non-payment of dues, fees and rates.

(1) Where the agent of a vessel in respect of which any dues, fees or rates are payable fail refuses or neglects to pay the dues, fees or rates on demand, the Authority may distrain the vessel and the tackle, apparel and furniture thereof until the amount of the dues, fees or rates is paid.

(2) After 14 days commencing from the date of a distraint, any dues, fees, rates or the expenses of such distraint of the vessel and its tackle, apparel and furniture, remain unpaid, and the Authority may cause the vessel or tackle, apparel and furniture distrained to be sold.

(3) The Authority shall retain the amount of dues, fees and rates or expenses which are owed by the vessel out of the proceeds of the sale and shall deliver the balance to the master of the vessel, on demand (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 55 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 56: Clearance to be withheld until dues, fees or rates are paid.

(1) Where the Authority gives to the proper officer or office of the Nigerian Customs Service a notice stating that an amount, specified in the notice, is due in respect of dues or fees or rates leviable under this Bill against any vessel or against the master or owner of the vessel, the officer shall not give any discharge or clearance to the vessel until the relevant office of the Nigerian Customs Service has been notified in writing by the Authority that —

(*a*) security has been given by the vessel to the satisfaction of the Authority for the payment of the dues, fees and rates; and

(*b*) the amount of the dues, fees and rates has been paid.

(2) In this section, "Proper Officer" of the office of the Nigeria Customs Service means the officer or office which is responsible for granting clearance for outbound vessels in the port in respect of which notice is given (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 56 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 57: Recovery of dues, fees and rates.

Notwithstanding anything contained under the provisions of sections 60 to 67of this Bill, the Authority may recover by civil suit any dues, fees and rates, expenses, costs or in the case of sale, the balance of any amount due when the proceeds of sale are insufficient (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 57 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 58: Book specifying dues, fees and rates to be kept at port.

(1) The Authority shall keep and maintain at its office in each port a book specifying the current dues, fees and rates and shall allow any person to inspect the book at all reasonable times without the payment of a fee.

(2) Any person providing port services, including a concessionaire, shall keep and maintain at its office in the port a book specifying the current dues, fees and rates and shall allow any person to inspect the book at all reasonable times without the payment of a fee (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 58 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 59: Exemptions.

The provisions of this Part shall not apply to any —

(*a*) Government owned vessel not engaged in commercial activities;

(*b*) vessel belonging to the armed forces of the Federation;

(*c*) vessel belonging to the armed forces of a foreign country extending reciprocal treatment to vessels belonging to the armed forces of the Federation; or

(*d*) vessels bringing in aid or engaged in humanitarian and charitable causes (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 59 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 60: Application of this Part.

The provisions of this Part shall apply to all types of vessels, cargo or shipments including cargo owned by the Federal, State and Local Governments of Nigeria except otherwise provided for in this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 60 stands part of the Bill — ***Agreed to.***

PART X — PILOTAGE AND HARBOUR MASTER

Committee Recommendation:

Clause 61: Requirement for pilotage.

(1) Subject to the provision of subsection (2) of this section and other provisions of this Bill, only a licensed pilot, certified by the Authority shall navigate any vessel entering, leaving or moving in a pilotage district within a port.

(2) Pilotage is not compulsory in respect of any vessel or class of vessels that have been exempted from pilotage under the provisions of this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 61 stands part of the Bill — ***Agreed to.***

Committee Recommendation:
Clause 62: Functions of a pilot.

(1) The pilot's function shall be to advise the master of a vessel to safely navigate in the port, direct its movements and to determine and control the movements of the tugs assisting the vessel under pilotage.

(2) The pilot shall determine and advise the master on the number of tugs required for pilotage (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 62 stands part of the Bill — ***Agreed to.***

Committee Recommendation:
Clause 63: Duties of the master in relation to pilotage.

(1) The master of the vessel shall at all times remain in command of the vessel and neither the master nor any person under the master's command may, while the vessel is under pilotage, in any way interfere with the navigation or movement of the vessel or prevent the pilot from carrying out his duties, except in an emergency, where the master may intervene to preserve the safety of the vessel, cargo or crew and take whatever action he considers reasonably necessary to avert the danger.

(2) Where the master of the vessel intervenes as contemplated in subsection (1) of this section, he shall immediately inform the pilot and, after having restored the situation, shall permit the pilot to proceed with the execution of his duties.

(3) The master of the vessel shall ensure that the officers and crew are at their posts, that a proper lookout is kept and that the pilot is given all necessary assistance in the execution of his duties (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 63 stands part of the Bill — ***Agreed to.***

Committee Recommendation:
Clause 64: Authority's powers in relation to pilot.
Subject to the provisions of this Part, the Authority -

(*a*) shall authorize qualified pilots for a pilotage district; and

(*b*) may do such other things in relation to pilots in a pilotage district as are necessary or expedient for carrying into effect the Authority's powers and duties under this Part (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 64 stands part of the Bill — ***Agreed to.***

Committee Recommendation:
Clause 65: Certification and licensing of pilots.

(1) A person shall not perform the duties of a pilot in a port without appropriate training and qualification and without a licence by the Authority to do so.

(2) The Government Agency responsible for maritime safety administration —

(*a*) may recommend to the Authority the minimum qualifications for any person to be qualified as a pilot, including the content and nature of examinations, if any, to be undertaken; and

(*b*) shall consult with the Authority regarding the content of the minimum qualifications referred to in this subsection before any recommendation is made.

(3) The licence issued to a pilot shall indicate the limits within which he is qualified to act (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 65 stands part of the Bill — **Agreed to.***

Committee Recommendation:
Clause 66: Establishment of pilotage districts.

(1) The Minister may, by regulation published in the Gazette, establish a pilotage district —

(*a*) in any port;

(*b*) in the approach to any port;

(*c*) in the waterways and territorial waters of Nigeria; or

(*d*) in the Exclusive Economic Zone of Nigeria.

(2) Regulations made under subsection (1) of this section may —

(*a*) provide that in any pilotage district or in any part thereof pilotage shall be compulsory; and

(*b*) define the limits of any pilotage district; distinguishing where pilotage is compulsory.

(3) Until other provisions are made by regulations pursuant to this section, any pilotage district defined by regulations or Order in force immediately before the commencement of this Bill, shall be deemed to be a pilotage district for the purposes of this Bill and every area in which pilotage was made compulsory under the existing regulations or Order shall be deemed to have been defined as a compulsory pilotage district under this section (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 66 stands part of the Bill — **Agreed to.***

Committee Recommendation:
Clause 67: Establishment and Membership of Pilotage Boards.

(1) The Minister shall by order, establish, a Pilotage Board for every compulsory Pilotage district and shall for a Pilotage district in which or in any part of which Pilotage is compulsory, establish a Pilotage Board.

(2) A Pilotage Board shall consist of —

(*a*) the Harbour Master of the Pilotage District, as Chairman; and

(b) not less than two or more than four persons appointed by the Authority, with the approval of the Minister.

(3) A member of the Pilotage Board may be appointed for a period not exceeding three years, and may be re-appointed for another term of three years and no more.

(4) A member of the Pilotage Board may at any time resign his membership by sending his resignation in writing to the Authority.

(5) A Pilotage Board shall —

(a) hold inquiries concerning conduct of pilots in the discharge of their duties in the Pilotage district;

(b) license pilots for the Pilotage district on behalf of the Authority; and

(c) hold examinations in connection with licensing of pilots for the Pilotage district.

(6) A Pilotage Board shall meet at such time and place as the Chairman of the Board may, from time to time, appoint.

(7) Two members of a Pilotage Board shall form a quorum.

(8) The Chairman shall preside at every meeting of a Pilotage Board and in his absence, the members present shall appoint one of them to preside.

(9) Every question which comes before a Pilotage Board at any meeting shall be decided by a majority of votes.

(10) The Chairman or any member presiding at any meeting shall have a vote and, in the case of a tie, shall have a casting vote.

(11) Minutes shall be kept of the proceedings of a Pilotage Board and the minute shall be signed by the person who presiding at the meeting.

(12) A Pilotage board may and shall, when directed by the Minister, hold an inquiry into the conduct of —

(a) a Pilot against whom an allegation of misconduct is made; or

(b) a Pilot in charge of a vessel which —

(i) touches the ground; or

(ii) runs foul of any other vessel; or

(iii) runs foul of a wharf, buoy, mole or beacon.

(13) A Pilotage Board holding an inquiry under this Bill may summon and examine witnesses on oath and call for any document in any matter before it.

(14) Where a pilot is aggrieved by a decision or recommendation of a Pilotage Board, he may, within thirty days from the date of the decision or recommendation, appeal to the Minister.

(15) The Minister may, after considering the appeal —

(*a*) affirm or reverse the finding; or

(*b*) subject to the provisions of this Bill, alter the nature of the punishment; or

(*c*) in the case of a recommendation to the Authority under section 48(2) of this Bill, support, comment on, or oppose the recommendation.

(16) The decision of the Minister on an appeal shall be final (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 67 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 68: Navigation in a pilotage district.

(1) A vessel, other than an exempted vessel, shall, while navigating in a pilotage district in which pilotage is compulsory, be under the pilotage of —

(*a*) the Authority's pilot; or

(*b*) a pilot certified and authorised by the Authority.

(2) A vessel being moved within a port or entering or leaving a port, which is or forms part of a pilotage district, shall be deemed to be a vessel navigating in a pilotage district.

(3) For the purposes of subsection (1) of this section, the following vessels are exempted from application under this section —

(*a*) vessel belonging to the armed forces of Federation;

(*b*) vessels owned or operated by the Authority;

(*c*) pleasure yachts;

(*d*) ferry boats sailing as such exclusively within a port;

(*e*) vessels not exceeding ten tons gross tonnage; and

(*f*) vessels exempted from compulsory pilotage by regulations made under this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 68 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 69: Declaration as to draught of vessels.

A pilot may require the master of any vessels which he is piloting to declare her draught of water, length and beam, and such other information as may be required for its safe piloting and the master shall comply (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 69 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 70: Pilot to produce license.

Every pilot shall be provided with his licence and shall on request, produce it to the master of the vessel (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 70 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 71: Liability of the master or owner under pilotage.

The master or owner of a vessel for which pilotage is compulsory shall be liable for any loss or damage caused by the vessel or by any navigation in the same manner as he would if pilotage were not compulsory (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 71 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 72: Liability of pilot.

The Authority or the pilot shall not be liable for any loss or damage caused by anything done or omitted to be done by the pilot in good faith whilst performing his functions under this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 72 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 73: Limitation of pilot's liability when bond is given.

(1) Every pilot shall give a bond in favour of the Authority in such sum as the Authority considers reasonable for the proper performance of his duties under this Part or regulations made under this Bill.

(2) A pilot who has given a bond in accordance with the regulations made under this Bill, shall not be liable for loss or damage caused by anything done or omitted to be done by the pilot beyond the penalty of the bond and the amount payable by or to him for pilotage services in respect of the voyage in which he was engaged when the loss or damage occurred.

(3) Where any proceeding is taken against a pilot for any neglect or want of skill in respect of which his liability is limited as provided by this section, and other claims are made in respect of the same neglect or want of skill, the court in which the proceeding is taken may determine the amount of the pilot's liability.

(4) On payment into court by the pilot of the amount determined under subsection (3) and (4) of this section, the court may —

(*a*) distribute that amount rateably among the several claimants;

(*b*) stay any proceeding pending in any other court in relation to the same matter;

(*c*) proceed in such manner and subject to such directions as to —

(*i*) making persons interested parties to the proceeding;

(*ii*) the exclusion of claimants who do not come in within a certain time;

(*iii*) requiring security from such pilot, and payment of any costs; as the court may deem fit (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 73 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 74: Appointment of a Harbour Master.

(1) The Authority shall appoint a harbour master for every pilotage district.

(2) The Authority shall ensure that a qualified Harbour Master is at all times engaged for every pilotage district

(3) A Harbour Master's qualification may subject to the exercise of his functions to any directives given from time to time by the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 74 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 75: Delegation of functions by Harbour Master.

(1) Subject to the provisions of this Part and the approval and directives of the Authority, a Harbour Master may authorize a person approved by the Authority to exercise his function.

(2) An authorisation under this section may be general or may apply only to the exercise of such functions as are specified in the instrument of authorisation (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 75 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 76: Functions and general powers of Harbour Master.

(1) A Harbour Master shall perform such functions as are conferred on him by this Bill and any regulation made hereunder.

(2) A Harbour Master shall —

(*a*) ensure compliance with laws and regulations on nautical safety and international conventions aboard a vessel, including fishing vessels and other categories of vessels regardless of flag and affiliation;

(*b*) provide for verification of vessel documents and of necessary qualifications of the crew;

(*c*) regulate, restrict or prohibit the movements of vessels in the port and in the approaches to the port;

(*d*) register a vessel's arrival in and departure from the port;

(*e*) direct a pilot service and when necessary assign a pilot to a vessel in regions not requiring compulsory Pilotage;

(*f*) direct where any vessel may be berthed, moored or anchored and the method of anchoring, when dealing with public quays;

(*g*) give directions to a vessel and/or a terminal to ensure safe transport, loading and discharging of dangerous goods in the port;

(*h*) ensure the preservation of law and order in the harbour and berths;

(*i*) coordinate the prevention of marine or other incidents, in the event of any risk of loss of human life or damage to any property;

(*j*) direct the removal of any vessel from any place in the port area to any other place and the time within which such removal is to be effected; and

(*k*) declare berth, locations, anchorages and fairways which may be used by vessels and the areas which are prohibited or restricted (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 76 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 77: Failure to comply with the directives of the Harbour Master.

(1) The master of a vessel shall comply with any directive given under this part by the Harbour Master.

(2) A person who contravenes the provision of subsection (1) of this section, shall pay a penalty not exceeding ₦1,000,000.00 and in the case of a continuing breach, a further amount not exceeding ₦250,000.00 for every day or a part thereof during which the breach continues.

(3) A person who wilfully obstructs the Harbour Master or a person acting under his directive shall pay a penalty of an amount not exceeding ₦500,000.00 (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 77 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 78: Liability of Harbour Master.

The Authority or the Harbour Master shall not be liable for loss or damage caused by anything done or omitted to be done by the Harbour Master in good faith while performing his functions under this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 78 stands part of the Bill — ***Agreed to.***

PART XI — PROVISIONS ON PIERS, WHARVES AND SAFETY MATTERS

***Committee Recommendation*:**

Clause 79: Restriction on piers, jetties and wharves.

(1) A person shall not erect, re-erect, alter, extend, own or occupy a pier or a jetty, or a wharf in a port or in the approach to a port or any place within any port except in accordance with a concession or permit granted by the Authority.

(2) A person who contravenes the provisions of subsection (1) of this section commits an offence and shall be liable on conviction to a fine of not less than ₦800,000.00

(3) The Authority shall make regulations for the management and control of wharves and premises and the maintenance of good order therein (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 79 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 80: Licences for erection of piers, jetties and wharves.

(1) The Authority may —

(*a*) on payment of the prescribed fee and in the prescribed form, grant licenses for the erection of piers, jetties and wharves; and

(*b*) renew license granted under paragraph (*a*) of subsection (1) of this section.

(2) The grant or renewal of a license under subsection (1) of this section may be made only in accordance with the provisions of this Bill and regulations issued from time to time by the Authority.

(3) Subject to the provisions subsection (2) of this section, a license granted under this section shall be subject to the conditions as may be prescribed by the Authority and may subject to the approval of the Minister, contain special conditions not inconsistent with the provisions of this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 80 stands part of the Bill — ***Agreed to.***

***Committee Recommendation*:**

Clause 81: Removal of piers, jetties and wharves.

(1) An authorised employee of the Authority may remove or cause to be removed, a pier or jetty or wharf in any port or in the approach to any port or any portion of the port within its zone where the pier, jetty or wharf is erected or operated in contravention of the provisions of this Bill or regulations hereunder.

(2) The provisions of this Part are applicable to any person including Federal, State and Local Government Agencies (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 82 stands part of the Bill — ***Agreed to.***

Committee Recommendation:

Clause 82: Power to make Regulations.

(1) The Authority may, with the approval of the Minister, make regulations for the management of any port and for the maintenance of good order therein, and in particular and without prejudice to the generality of the foregoing power, may make regulations for all or any of the following purposes —

(*a*) regulating traffic within the limits of the port or the approach to a port;

(*b*) regulating the berths and stations to be occupied by ships and the removal of ships from one berth, station or anchorage to another berth, station or anchorage, and the time within which the removal shall be effected;

(*c*) regulating vessels while taking in or discharging ballast or cargo;

(*d*) keeping free passages of such width as is deemed necessary within any port and along or near to the piers, jetties, landing places, wharves, quays, docks, moorings and other similar works in or adjoining the port and for marking out the spaces to be kept free;

(*e*) regulating the anchoring, fastening, mooring and unmooring and warping of all vessels and the use of warps, mooring buoys, chains and other moorings;

(*f*) regulating traffic, preventing obstruction and keeping order on piers, jetties and wharves and ensuring the safety of piers, jetties and wharves and any cargo on them;

(*g*) regulating the use of fires and lights and the signals to be used and measures to be taken, by day and by night, in case of fire in a port;

(*h*) enforcing and regulating the use of navigating lights or signals and of signal lights by vessels;

(*i*) regulating the flags and signals to be used by vessels arriving at, lying in and departing from a port;

(*j*) regulating the manner in which vessels arriving ~~a port. shall be~~ boarded by the Harbour Master, and ~~the information~~ to be supplied to him by the master;

(*k*) regulating the use by vessels of whistles, sirens and other like instruments;

(*l*) prohibiting chipping, scaling or noisy repairs on vessel, except at such anchorages or places and at such times as may be prescribed or as the Harbour Master may appoint;

(*m*) prohibiting or regulating the erection, maintenance and working of fishing stakes, prescribing the nature of the nets or stakes which may be used, and providing for the licensing of persons authorised to erect and maintain fishing stakes and nets, and prescribing the fees which shall be paid for the licence;

(n) regulating, whether by way of prohibition or otherwise, the floating of timber, casks or other objects in any port or in the approach to any port and the casting or depositing of any dead body, ballast, rubbish, or other thing into any port or in the approach to any port, in contravention of this Bill and for the redemption on payment of expenses and a penalty, within a time limit to be fixed, of anything forfeited;

(o) providing for the forfeiture of anything found in any port or in the approach to any port in contravention of this Bill;

(p) prescribing the duties of masters of vessels carrying gunpowder or other explosive or dangerous cargo, and of persons engaged in or supervising the shipping, unshipping, landing and transporting of the cargo;

(q) regulating the placement and maintenance of moorings or buoys;

(r) regulating and licensing weighing and metering of goods; and

(s) regulating and licensing porters and carriers and other labourers employed in the working of port facilities.

(2) For the breach of any regulation made under subsection (1) of this section, the Authority may prescribe a penalty not exceeding ₦1,000,000 and in the case of a continuous breach, a further fine not exceeding ₦50,000 a day for every day during which the breach continues (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 82 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 83: Wrecks and derelicts, vessels under arrest or detention and abandoned vessels.

(1) The Authority may —

(a) with the consent of the Admiralty Marshall, order that a vessel which has been arrested or attached by an Order of Court be moved to another safe place within the port and if necessary, move such vessel to that place;

(b) search for, raise, remove or destroy any sunken, stranded or abandoned vessel or wreck within the port limits, and recover the costs incurred in connection with such searching, raising, removal or destruction from the owner of the vessel or any other person who had the beneficial use of the vessel at the time it sank, became stranded or was abandoned;

(c) search for and remove any wreck or obstruction which may endanger the safety of any vessel entering or leaving the port, and recover the costs of such search and removal from the owner of the wreck or obstruction, or from any person responsible for the presence of such wreck or obstruction;

(2) The Authority may give notice to the owner or other person legally responsible for the upkeep of any vessel within the port limits, directing such owner or person to remove or dispose of such vessel, or part thereof, which is not seaworthy or is likely to become an obstruction, wreck or derelict or a threat to the environment or public safety and to recover from that owner or person all costs incurred for the removal or disposal if the owner or person fails to comply with the notice within the time specified in it.

(3) The Authority may after written demand for any costs contemplated in subsection (2) of this section, and on non-payment of the costs, sell the relevant vessel or wreck and out of the proceeds of the sale defray such unpaid costs, rendering the surplus, if any, to the person entitled to it, or recovering any unpaid balance from the owner or other person referred to in subsection (2) of this section or institute an admiralty action under the Admiralty Jurisdiction Act, Cap. A5, Laws of the Federation of Nigeria, 2004 to recover the costs.

(4) Subject to the provisions of this section, the Authority shall act as the Assistant Receiver of Wrecks (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 83 *stands part of the Bill* — ***Agreed to.***

PART XII — LIABILITY AND LEGAL PROCEEDINGS IN RELATION TO THE AUTHORITY

Committee Recommendation:
Clause 84: Liability for acts of others.
The Authority shall not be liable for any injury, loss, damage or cost sustained by any person as a result of any default, negligence, breach or other wrongful act or omission of a licensee or concessionaire under this Bill or an agent or employee of the licensee or concessionaire (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 84 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 85: Limitation of Authority's liability.

(1) Where any loss or damage is caused by the proven fault of the Authority, to any vessel or goods or other thing on board a vessel, its liability shall be an aggregate amount not exceeding N1, 000.00 for each ton of the vessel's tonnage.

(2) For the purposes of this Bill, the tonnage of a vessel shall be ascertained as provided by the Merchant Shipping Act, 2007 (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 85 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 86: Liability for loss or damage to cargo.
Nothing in this Part shall impose on the Authority or any person duly authorized by it any liability for the loss or destruction of or damage to any goods arising from —

(*a*) fire or flood, unless caused by the proven fault of the Authority;

(*b*) an act of God;

(*c*) an act of war or of public enemies;

(*d*) arrest or seizure under any legal process;

(*e*) quarantine restrictions;

(*f*) any act, omission or default of the owner or carrier of such goods;

(*g*) strikes, lockouts or stoppages or restraints of labour from whatever cause, whether partial or general;

(*h*) riots and civil commotion;

(*i*) saving or attempting to save life or property;

(*j*) a declaration of goods as overtime or abandoned goods or the sale, auction, destruction or any kind of disposal made pursuant to the declaration;

(*k*) an act or omission of the consignor, consignee or depositor or of the servant or agent of any such person;

(*l*) insufficient or improper packing, defective or insufficient marks or leakage from defective drums, containers or packages;

(*m*) any inherent wastage in bulk or weight, latent or inherent defect or natural deterioration;

(*n*) any deficiency in the contents of unbroken packages; or

(*o*) the dangerous nature of such goods (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 86 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 87: Restriction on execution against the property of the Authority.

In an action or suit against the Authority, no execution or attachment or process in the nature thereof shall be issued against assets of the Authority, but any sums of money which may, by the judgment of the court, be awarded against the Authority shall, subject to any directives given, be attached from the funds of the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 87 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 88: Legal Proceedings.

(1) No suit shall be commenced against the Authority before the expiration of a period of one month after written notice of intention to commence the suit have been served on the Authority by the intending plaintiff or his agent and the notice shall clearly and explicitly state the —

(*a*) cause of action;

(*b*) particulars of the claim;

(*c*) name and place of abode of the intending plaintiff; and (*d*) relief which it claims.

(2) No suit against the Authority or any employee of the Authority for any act done in pursuance or intended execution of any Act or Law, or of any public duty or authority, or in respect of any alleged neglect or default in the execution of such Act or Law, duty or authority shall lie or be instituted in any court, unless it is commenced within twelve months after the act, neglect or default complained of or in the case of a continuing damage or injury, within twelve months next after the ceasing thereof.

(3) For the purposes of this section —

"Suit" means a civil proceeding commenced by writ of summons or in such other manner as may be prescribed by rules of court and includes an action but not a criminal proceeding.

(4) The notice referred to in section 88 (1) of this Bill and any summons or other documents required or authorised to be served on the Authority in connection with a suit by or against it, may be served by —

(*a*) delivering it to the Managing Director;

(*b*) sending it by registered post addressed to the Managing Director at the head office of the Authority; or

(*c*) electronic means through the e-mail or website of the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 88 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 89: Restriction on execution against property of the Authority.

In any action or suit against the Authority, no execution shall be levied or attachment process issued against the Authority unless not less than thirty days' notice of the intention to execute or attach has been given to the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 89 stands part of the Bill — **Agreed to.***

PART XIII — OFFENCES AND PENALTIES

Committee Recommendation:

Clause 90: Removal or damage to property of the Authority.

A person who removes, destroys or damages any infrastructure, equipment and marine environment property belonging to or in the custody or possession of the Authority or hinders or prevents such property from being used or operated in the manner in which it is intended to be used or operated, commits an offence and is liable on conviction to a fine of not less than ₦800,000.00 and shall make good any loss, destruction or damage suffered by the Authority, including the expenses of any inspection or survey carried out by the Authority to ascertain the loss, destruction or damage (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 90 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 91: Unlawful operation of port services or facilities.

A person who establishes, installs, maintains, provides or operates any marine service or facility or any port service or facility without an approval from the Authority commits an offence and is liable on conviction to a fine of not less than ₦1,000,000.00 or to imprisonment for a term of not less than three (3) years or to both fine and imprisonment, and in the case of a continuing offence, to a further fine of not less than ₦120,000.00 for every day or part thereof during which the offence continues (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 91 *stands part of the Bill —* ***Agreed to.***

Committee Recommendation:

Clause 92: Evasion of dues.

An owner, agent or a master of any vessel or consignor or consignee of any goods who evades or attempts to evade, neglects or omits to pay any dues, rates, charges or fees payable under this Bill commits an offence and is liable on conviction to a fine of not less than ₦800,000.00 or to imprisonment for a term of not less than six (6) months or to both fine and imprisonment and shall in addition be liable to pay to the Authority a penalty double the amount of the dues, rates, charges or fees evaded or attempted to evade, neglected or omitted to pay (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 92 *stands part of the Bill —* ***Agreed to.***

Committee Recommendation:

Clause 93: Giving false statement in returns.

A person who makes any statement whether knowingly or recklessly which is false in any return, claim or other document which is requested or authorised to be made by or under this Bill or any regulations pursuant to this Bill commits an offence and is liable on conviction to a fine of not less than ₦800,000.00 or to imprisonment for a term of not less than twelve (12) months or to both fine and imprisonment (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 93 *stands part of the Bill —* ***Agreed to.***

Committee Recommendation:

Clause 94: Offences in connection with safety of vessels, etc.

(1) A person who wilfully and without lawful authority loosens or removes from its moorings or from its fastenings alongside any wharf or dock, any vessel in the port without permission or lawful authority from the master or owner of such vessel or person in charge of such wharf or dock commits an offence.

(2) A person who wilfully and without lawful authority lifts, injures, makes a vessel fast to, loosens or sets adrift any moorings, buoys, beacons or sea or land marks commits an offence.

(3) A person who without any lawful excuse discharges any gun in the port except for the purpose of making a signal of distress or for such other purpose as is allowed under any written law commits an offence.

(4) A person who graves, breams or smokes any vessel in the port, or boils or heats any pitch, tar, resin, dammar, turpentine oil or other such combustible matter on board any vessel within the port, at any time or within any limits at or within which such act is prohibited by any order of the Minister, or contrary to the orders or directives of the Harbour Master or the master of such vessel commits an offence.

(5) A person who does or omits to do any act on board any vessel in the port which has caused or may cause fire on board such vessel commits an offence.

(6) A person who uses a vessel or permits a vessel to be used in the port when the vessel is —

(*a*) in such a state that by reason of the defective condition of its hull, equipment or machinery, or by reason of under-manning or otherwise, the life of a person is likely to be endangered; or

(*b*) loaded with goods or passengers or with both goods and passengers as to —

(*i*) exceed the number of passengers allowed by the vessel's safety certificate to be carried or received on the vessel, and

(*ii*) submerge the appropriate subdivision load line on each side of the vessel when the vessel has no list and the subdivision load line appropriate to the space for the time being allotted to passengers on the vessel is lower than the load line indicating the maximum depth to which the vessel is for the time being entitled under any law to be loaded, commits an offence.

(7) A person who contravenes the provisions of subsections (1), (2), (3), (4), (5) and (6) this section is liable on conviction to a fine of not less than ₦1,000,000.00 or to imprisonment for a term of not less than six (6) months or to both fine and imprisonment (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 94 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**

Clause 95: Offences by master of vessel.

(1) Where a vessel —

(*a*) enters any port or any approach to the port without permission from the Authority; or

(*b*) fails to leave any port or any approach to the port or to leave any berth at the port when required to do so by the Harbour Master, the master commits an offence and is liable on conviction to a fine of not less than ₦500,000.00 or to imprisonment for a term not less than twelve (12) months or to both fine and imprisonment.

(2) Where the master fails to comply with the provisions of subsection (1) of this section, the master shall in addition to the fine, be liable to pay damages assessed in relation to the registered tonnage of the vessel for every hour that the vessel remains at the port or approach to port after the time for departure required by such notice has expired.

(3) Where a vessel —

(*a*) enters any port or any approach to the port without permission from the Authority; or

(*b*) fails to leave any port or any approach to the port or to leave any berth at the port when required to do so by the Harbour Master, the owner or his agent commits an offence and is liable on conviction: in the case of —

(*i*) an individual, to a fine of ₦300,000.00 for each day or a part thereof during which the offence continues or to imprisonment for a term of twelve months; and

(*ii*) a body corporate, to a fine of ₦1,000,000.00 and a further fine of ₦500,000.00 for each day or a part during which the offence continues (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 95 stands part of the Bill — **Agreed to.***

***Committee Recommendation*:**

Clause 96: Failure for not keeping a vessel so loaded with ballast or otherwise as to be safely removed.

(1) Every vessel lying alongside a wharf or within any dock shall be kept equipped, provided and loaded or ballasted to enable it be removed safely whenever it is necessary in the judgement of the Harbour Master.

(2) Any master or owner of a vessel who contravenes the provision of subsection (1) of this section commits an offence and is liable to a penalty of not less than the sum of ₦70, 000.00 (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 96 stands part of the Bill — **Agreed to.***

***Committee Recommendation*:**

Clause 97: Throwing ballast and waste into port waters.

A person who throws or empties into any port waters any ballast or waste however described commits an offence and is, in addition to other penalty provided in any applicable laws, liable on conviction, in the case of —

(*a*) oil or chemical waste to a fine of not less than ₦10,000,000.00 or such higher fine as the court may determine; and

(*b*) non-oil or bio-degradable waste, a fine of not less than the sum of ₦5,000,000.00 (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that Clause 97 stands part of the Bill — **Agreed to.***

Committee Recommendation:

Clause 98: Giving false information as to draught of vessel and cargo.

(1) An owner, agent or a master of a vessel entering or leaving or within the port or the approaches to a port who makes any negligent misstatement or gives false information of the type of vessel, its draught, length, beam or height to the Authority — commits an offence and is liable on conviction to a fine of not less than ₦5,000,000.00 or to imprisonment for a term of not less than 6 months or to both

(2) For the purposes of this section, "height of vessel" shall be the height of the vessel measured vertically from the waterline of the vessel to the highest point of the vessel including its cargo, structure or equipment on board (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 98 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 99: Removal or damage to lighthouses, buoys and beacons.

A person who wilfully or negligently —

(*a*) removes, alters or damages any lighthouse or light exhibited therein or any buoy or beacon or other light placed by the Authority; or

(*b*) rides by, makes fast to or runs foul of any lighthouse, buoy or beacon or other lights placed by the Authority, commits an offence and is liable on conviction to a fine of not less than ₦1,000,000.00 and shall in addition make good any loss, destruction or damage caused by the contravention (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 99 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 100: Prohibition of false lights at the lighthouses.

(1) When any fire or light is burned or exhibited at any place or in a manner as to be likely mistaken for a light proceeding from a lighthouse, buoy, beacon or other light placed by the Authority, the Authority may serve a notice on the —

(*a*) owner or occupier of the place where the fire or light is burned or exhibited; or

(*b*) person having charge of the fire or light, directing the owner, occupier or person, within a reasonable time to be specified in the notice, to extinguish or screening the fire or light and to prevent the fire or light or any similar fire or light from being burned or exhibited thereafter.

(2) The notice may be served either personally or by delivering it at the place of abode of the person to be served, or by affixing it in some conspicuous spot near the fire or light to which the notice relates.

(3) Any owner or person, on whom a notice under this section is served, who fails, without reasonable cause, to comply with the directions contained in the notice, commits an offence and is liable on conviction for each offence to a fine of not exceeding₦50,000.00 and a further fine of not less than ₦50,000.00 for every day during which the offence continues.

(4) If any owner or person on whom a notice under this section is served neglects, for a period of twenty-four hours to extinguish or effectually screen the fire or light mentioned in the notice, an authorised employee of the Authority with other assistants, may —

(*a*) enter on the place where the fire or light is, and extinguish the fire or light from doing no further damage than is necessary; and

(*b*) recover the expenses incurred by him from the owner or person on whom the notice has been served (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 100 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 101: Obstructing authorised entry.
A person who wilfully obstructs any person doing any of the acts authorised by the provisions of this Bill commits an offence and is liable on conviction to a fine of ₦800,000.00 or to imprisonment for a term of not less than twelve (12) months or to both fine and imprisonment (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 101 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 102: Navigation without pilot.
Where —

(*a*) a vessel navigates without a pilot in circumstances in which a pilot is to be engaged under any of the provisions of this Bill, or

(*b*) the master refuses to comply with any request made under this section, or makes or is privy to the making of any false statement in answer to such request, the master commits an offence and is liable, on conviction, to a fine of not less than ₦800,000.00, and shall in addition pay the pilotage fees which would have been paid if the Authority's pilot had been employed (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 102 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 103: Illegal piloting.
(1) A person who offers his services as a pilot —

(*a*) without the permission of the Authority and without being duly licensed; or

(*b*) while his license as a pilot is cancelled, suspended or revoked, commits an offence

(2) Any pilot who —

(*a*) lends his licence to, or allows his licence to be used by, any other person; or

(*b*) pilots outside the limits specified in his licence; or

(c) acts as a pilot while under the influence of alcohol or drugs; commits an offence.

(3) A person who contravenes the provisions of this section is liable on conviction, to a fine of not less than ₦800,000.00 or to imprisonment for a term of not less than twelve (12) months or to both fine and imprisonment (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 103 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 104: Failure of compliance by master.
Any master who contravenes any of the provisions of this Bill commits an offence and is liable on conviction, to a fine of not less than ₦500,000.00 or to imprisonment for a term of not less than twelve (12) months or to both fine and imprisonment (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 104 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 105: Persons endangering life or property.
Where a person taking part in the loading, unloading or warehousing of goods in any port endangers the safety, life, limb, body or property of a person —

(*a*) by contravening any of the provisions of this Bill or of any regulation made pursuant to this Bill; or

(*b*) by any rash or negligent act, commits an offence and is liable on conviction, to a fine of not less than ₦500,000.00 or to imprisonment for a term not less than six (6) months or to both fine and imprisonment (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 105 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 106: Non-compliance with directives of the Authority or with any provision of this Bill.

(1) A person who —

(*a*) without lawful excuse, refuses, neglects or fails to comply with any directive lawfully given by the Authority in exercise of its powers under this Bill; or

(*b*) fails to comply with any provision of this Bill or regulations made pursuant to this Bill, commits an offence and, unless another penalty is established for such offence in this Bill, shall, in addition to the forfeiture of any article seized, is liable on conviction, to a fine of not less than ₦1,000,000.00 or to imprisonment for a term of not less than twelve months or to both and in the case of a continuing offence to a further fine of not less than ₦200,000.00 for every day during which the offence continues.

(2) Where any person without lawful excuse refuses or neglects to obey any directive lawfully given under this Bill or regulations made pursuant to this Bill commits an offence, and the Authority may, irrespective of whether any proceedings have been instituted against or punishment imposed on such person for the refusal or neglect, do or cause to be done all such acts as in its opinion are reasonable or necessary for the purpose of carrying out such directive.

(3) The powers conferred by subsection (2) of this section include the power to hire and employ such persons as are necessary and proper for making good whatever loss or damage that has been caused by any refusal or neglect of the person to whom the directive has been given.

(4) Any expenses incurred by the Authority in the exercise of its powers under this section shall be recoverable from the person to whom the directive has been given (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 106 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 107: **Unlawfully loosening moorings.**
A person who wilfully sets adrift, cuts, breaks or unfastens the moorings of a vessel commits an offence and is liable on conviction to a fine of not less than ₦10,000,000.00 or to imprisonment for a term of not less than 5 years or to both (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 107 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 108: **Wilfully sinking vessels.**
A person who wilfully sinks any vessel in a port or in the approach to the port, without the permission in writing of the Harbour Master, commits an offence and is liable on conviction to a fine of not less than ₦50,000,000.00 or imprisonment for term as the court may determine or to both fine and imprisonment, and shall in addition, pay to the Authority, the expenses incurred by the Authority in salvaging the vessel (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 108 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 109: **Demanding of improper amounts by an employee.**
An employee of the Authority, who, with intent to defraud, demands or receives from any person liable to pay any dues, fees or rates imposed under this Bill, in respect of any matter, any other amount than is authorised to be levied by the regulations for the time being in force in respect of that matter, commits an offence and is liable on conviction to a fine of not less than ₦500,000.00 or imprisonment for a term of not less than twelve (12) months or to both fine and imprisonment and shall in addition, pay to the Authority ten (10) times the amount that would have been paid (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 109 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 110: Application of sections 97, 98 and 99 of the Criminal Code.

An employee of the Authority shall be deemed to be a person employed in the public service of the Federation for the purpose of Sections 98, 99 and 100 of the Criminal Code (***Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency***).

Question that Clause 110 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 111: Obstructing the Authority in the performance of its duties.

A person who —

(*a*) hinders or obstructs the Authority or assaults any of its employees, agents or contractors in the performance and execution of their duties or of anything which they are empowered or required to do pursuant to the provisions of this Bill; or

(*b*) removes any mark set up for the purpose of indicating any level or direction necessary for the execution of works authorised by this Bill, commits an offence and is liable on conviction to a fine of not less than ₦800,000.00 or to imprisonment for a term of not less than twelve (12) months or to both fine and imprisonment (***Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency***).

Question that Clause 111 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 112: Preservation of secrecy.

(1) A person who is or has been a member, an officer, employee, adviser or agent of the Authority or a member of a committee of the Authority shall not disclose any information relating to the affairs of the Authority or of any other person which has been obtained by him in the performance of his duties or the exercise of his functions except for the purpose of the performance of his duties or the exercise of his functions or when lawfully required to do so by any court or under the provisions of any written law.

(2) A person who contravenes the provision of subsection (1) of this section commits an offence and is liable on conviction to a fine of not less than ₦300,000.00 or to imprisonment for a term of not less than six (6) months or to both fine and imprisonment (***Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency***).

Question that Clause 112 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 113: Offences by companies.

(1) Where an offence under this Bill or regulations made pursuant to it has been committed by a company or other body of persons, any person who at the time of the commission of the offence was a director, manager or partner in the corporate body or other body of persons who acted in such capacity may be charged with the same offence.

(2) Where a company or other body of persons is convicted of an offence under this Bill, any person charged with the same offence shall on conviction be liable to the penalty for that offence unless he proves that the offence was committed without his knowledge or consent and that he exercised all due diligence to prevent the commission of the offence as he ought to have exercised, having regard to the nature of his functions in that capacity and to all the circumstances (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 113 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 114: Penalties to be paid to the Authority.
All penalties imposed for any breach under this Bill or regulations made pursuant to it and all sums collected under this Bill shall be paid into the Fund established under section 16 of this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 114 *stands part of the Bill* — ***Agreed to.***

PART XIV — MISCELLANEOUS

***Committee Recommendation*:**
Clause 115: Exemption of Authority's land.
Notwithstanding the provisions of any other laws, wharves shall not be regarded as a hereditament or tenement to be valued for rating purposes and the Authority shall not be required to pay any rates in respect of wharves or any property situated in the wharves (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 115 *stands part of the Bill* — ***Agreed to.***

***Committee Recommendation*:**
Clause 116: Power to issue guidelines.

(1) The Authority shall have the power to issue guidelines and standards with respect to the operation of port facilities and services in the port by concessionaires including the determination of performance standards and quality standards of the facilities and services provided by them.

(2) The Authority may issue guidelines and directives for the management and maintenance of all ports and for the maintenance of good order in the ports including —

(*a*) controlling traffic within the limits of the ports;

(*b*) using berths and stations;

(*c*) anchoring, mooring, etc.;

(*d*) preventing obstructions and keeping order on piers;

(*e*) using fires and related signals in case of fire;

(*f*) using of whistles and sirens;

(*g*) chipping, scaling or noisy repairs;

(*h*) floating timber and other objects;

(*i*) explosives;

(*j*) placing and maintaining moorings;

(*k*) weighing and metering;

(*l*) pilotage;

(*m*) harbour; and

(*n*) any construction whatsoever.

(3) The power to issue guidelines under Section 115 (2) (*i*) and (*k*) of this section shall be subject to the existing law on the subject.

(4) Subject to the provisions of this Bill, the Authority shall control —

(*a*) navigation within port limits and the approaches to ports;

(*b*) the entry of vessels into ports, their stay, movements or operations in and departures from ports;

(*c*) the loading, unloading and storage of cargo and the embarkation and disembarkation of passengers;

(*d*) off-shore cargo-handling facilities, including navigation in the vicinity of such facilities;

(*e*) pollution and the protection of the environment within the port limits;

(*f*) enhancement of safety and security within the port limits; and

(*g*) merchant shipping and particularly in respect of safety at sea and the prevention of pollution at sea within the vicinity of the ports;

(5) Guidelines issued by the Authority shall be duly notified and published and the Authority may recommend to the Minister to issue the guidelines as regulations (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 116 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:
Clause 117: Power to collect taxes.
The Authority shall register as an agent of the Federal Inland Revenue Service or any Tax Authority for the purpose of collection of With Holding Tax and Value Added Tax (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 117 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 118: Advance vessel and cargo information.

The owner of any vessel intending to enter any port or harbour in Nigeria for any purpose shall, before the departure of the vessel for Nigeria, submit to the Authority a statement in writing setting out the following information -

(*a*) the name and full documentation of the vessel including International Maritime Organization (IMO) numbers where applicable;

(*b*) name of the port or ports of sailing;

(*c*) estimated time of departure for Nigeria;

(*d*) name of the port or ports of discharge in Nigeria;

(*e*) estimated date of arrival;

(*f*) detailed information including tonnage of the cargo carried in the vessel; and

(*g*) type of cargo on board the vessel (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 118 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 119: Prohibition of entry into Nigerian Ports and Harbours without permit.

A vessel shall not enter a port or harbour or an approach to a port or harbour in Nigeria without prior permission or approval of the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 119 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 120: Damage to property of the Authority.

(1) Where any damage is done to any property of the Authority by any vessel, equipment or float of timber, the cost of making good the damage, including the expenses of any inspection or survey carried out by the Authority to ascertain the damage, may be recovered by the Authority as a debt from the master, owner or person in charge of the vessel, equipment or float of timber.

(2) The Authority may detain any vessel, equipment or float of timber responsible for causing the damage to its property until the costs of making good such damage and the expenses described in subsection (1) of this section have been paid to the Authority.

(3) The Authority may require from the master, owner or person in charge of the vessel, equipment or float of timber to deposit such sum of money or furnish such security in order to meet the costs and expenses for repairing the damage (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 120 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 121: Repeals.

(1) Save as is provided in this Bill, the Nigerian Ports Authority Act, Cap. N126, Laws of the Federation of Nigeria, 2004 is repealed.

(2) The Lagos Port Operations (Special Provisions) Act, Cap L3, LFN, 2004 is repealed (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 121 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 122: Savings.

(1) From the commencement of this Bill, all assets, liabilities, rights and obligations of the Nigerian Ports Authority established under the repealed Act in subsection (1) of section 121 of this Bill shall vest in the Authority established under Part I of this Bill and in the manner provided under the Second Schedule to this Bill.

(2) Save as is provided under this Bill, all regulations, orders and other subsidiary legislations made under the repealed Act, and in force immediately before the commencement of this Bill, shall, so far as it is not inconsistent with the provisions of this Bill, continue in force as if they had been made under this Bill and shall be treated accordingly.

(3) Any Fund established by or under any of the provisions of the laws repealed by this Bill shall, notwithstanding such repeal and as from the date thereof, continues to be operated as if they had been established under the relevant provisions of this Bill and shall be treated accordingly (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 122 *stands part of the Bill* — ***Agreed to.***

Committee Recommendation:

Clause 123: Consequential amendments.

(1) The Ports (Related Offences, etc.) Act, Cap. P23, LFN, 2004 is amended in the following manner —

(*a*) by the addition of a new subsection (*g*) under section 1 (1) to read: "Port Health";

(*b*) subsection (3) is amended by the deletion of the words "or any other person as may be authorised under any law or instrument to that effect" immediately following "...inspection agents";

(*c*) subsection (4) is amended by the deletion of the words "or a traveller or a bona fide owner of goods" immediately following "...passenger" and replacing them with "or any person Licensed by the Authority;

(*d*) subsection 1(4) (*a*) is amended by the insertion of "or any other ports in Nigeria" immediately after the words "this Bill";

(*e*) subsection (4) is amended by the insertion of a new subsection (4) (*e*) to read "examine any goods, vessels etc for any purpose whatsoever";

(*f*) subsection (4) (*a*) is amended by the deletion of ₦10,000 and replacement with "₦300,000.00";

(*g*) subsection (4) (*b*) is amended by the insertion of "and" the words "twelve months"; and

(*h*) subsection (4) (*c*) is amended by the deletion of ₦1,000.00 and replacement with "₦20,000.00"

(2) The Schedule is amended by the addition of: Kirikiri Lighter Terminals (I & II), Ikorodu Lighter Terminal, Federal Ocean Terminal Onne, Federal Lighter Terminal Onne, Warri, Calabar, Burutu, Akassa, Bonny, Degema, Forcados, Escravos, Koko Town, Sapele, Brass and Lekki Deepsea Port;

(3) The Federal Environmental Protection Agency Act, Cap. F10, LFN 2004 is amended in the following manner by the addition of a new subsection 27(3) to read —

"(3) The powers granted under this section shall be exercised in a port, vessel, floating craft or any inland water only upon invitation by the Authority or Nigeria Customs Service and the authorised officer shall only exercise such powers through the Nigeria Customs Service".

(4) The National Agency for Food and Drug Administration and Control Act, Cap N1, LFN 2004 is amended in the following manner by the addition of a new subsection 5 (2) to read —

"(2) The powers and functions granted under this Section shall be exercised in a port, vessel, floating craft or any inland water only upon invitation by the Authority or Nigerian Customs Service and the authorised officer shall only exercise such powers through the Nigerian Customs Service".

(5) The Utilities Charges Commission Act, Cap. U17, LFN, 2004 is amended the First Schedule by deleting the following items —

"(*a*) Ferry Services Organisation; and

(*b*) Nigerian Ports Authority"

(6) The National Drug Law Enforcement Agency Act, CAP N30, LFN 2004 is amended in the following manner:

(*a*) by the addition of a new Subsection 3(3) to read —

"(3) The powers and functions granted under this Section shall be exercised in a port, vessel, floating craft or any inland water only upon invitation by the Authority or Nigerian Customs Service and the authorised officer shall only exercise such powers through the Nigerian Customs Service".

(*b*) subsection 8 (1) (*c*) is amended by insertion of the words —

"working in collaboration with the Nigerian Customs Service" at the beginning of the sentence immediately before the words "detecting";

(*c*) subsection 8 (1) (*d*) is amended by insertion of the words —

"working in collaboration with the Nigerian Customs Service" at the beginning of the sentence immediately before the words "maintaining" (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 123 stands part of the Bill — ***Agreed to.***

Committee Recommendation:
Clause 124: Interpretation.
In this Bill —

"Authority" means the Nigerian Ports and Harbours Authority established under section 3 of this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Authority" be as defined in the interpretation to this Bill — ***Agreed to.***

"Aid to navigation" means a device used for the safety of navigation including lighthouses, radio navigational aids, buoys, beacons and any other device or system used to assist the safe and efficient navigation of vessels (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the words "Aid to navigation" be as defined in the interpretation to this Bill — ***Agreed to.***

"Beacon" means a prominent specially constructed object forming a conspicuous mark as a fixed aid to navigation (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Beacon" be as defined in the interpretation to this Bill — ***Agreed to.***

"Board" means the Board of the Authority established under section 4 of this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Board" be as defined in the interpretation to this Bill — ***Agreed to.***

"Buoy" includes a floating object of any size, shape and colour which is moored to the seabed and serves as an aid to navigation or for other specific purposes (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Buoy" be as defined in the interpretation to this Bill — ***Agreed to.***

"Cargo" or "Goods" includes any substance or article, livestock, minerals, wares and merchandise of every description and any container or other item used to contain any substance or article (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Cargo" or "Goods" be as defined in the interpretation to this Bill — **Agreed to.***

"Chairman" means the Chairman of the Board of the Authority appointed under section 4 (3) of this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Chairman" be as defined in the interpretation to this Bill — **Agreed to.***

"Channel"includes a terminal, the seabed, course, swinging basin, turning circle, an area alongside a berth or dock, fairway, anchorage and berth (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Channel" be as defined in the interpretation to this Bill — **Agreed to.***

"Channel operator"means in the case of any port waters, a person who manages channels in those waters (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Channel operator" be as defined in the interpretation to this Bill — **Agreed to.***

"concession" means an arrangement between the Authority and a third party pursuant to which such third party shall be authorized to provide a port service or operate a port facility in accordance with this Bill and the term includes the meaning assigned to it in the ICRC Act (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Concession" be as defined in the interpretation to this Bill — **Agreed to.***

"concessioned" shall be interpreted accordingly (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "concessioned" be as defined in the interpretation to this Bill — **Agreed to.***

"Concessionaire" means a person granted concession under this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Concenssionaire" be as defined in the interpretation to this Bill — **Agreed to.***

"Consumer" or "Port user" means any person who uses port services or facilities (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Consumer" or "Port user" be as defined in the interpretation to this Bill — **Agreed to.***

"Council" means the Federal Executive Council of the Federal Republic of Nigeria (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Council" be as defined in the interpretation to this Bill — **Agreed to.***

"Court" means the Federal High Court (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Court" be as defined in the interpretation to this Bill — **Agreed to.***

"Development"or "Works"includes —

(*a*) the construction, extension, demolition or removal of a building or substantial alteration of any structure in or on land;

(*b*) any change to the natural or existing condition or topography of land;

(*c*) the decoration or alteration of the inside or outside of a building or the alteration of works;

(*d*) the subdivision or consolidation of land, airspace or buildings;

(*e*) the installation, provision or operation of facilities or services;

(*f*) the removal of vegetation or topsoil;

(*g*) land reclamation and land decontamination; and

(*h*) dredging (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Development" or "Works" be as defined in the interpretation to this Bill — **Agreed to.***

"Dock" includes basins, lock cuts, entrances, graving, docks, keel blocks, included planes, slipway grid irons, quays, warehouses and other works and things appertaining to any dock (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Dock" be as defined in the interpretation to this Bill — **Agreed to.***

"Employers of maritime labour" includes terminal operators, stevedoring and cargo handling companies, dock labour and seafarers employers (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Employers of maritime labour" be as defined in the interpretation to this Bill — **Agreed to.***

"Equipment" or "Facility" includes any apparatus, machinery or system used or intended to be used for provision of port services (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Equipment" or Facility" be as defined in the interpretation to this Bill — **Agreed to.***

"Estimates" means in respect of recurrent revenue the best possible commercial forecast of revenue taking into account the general conditions of world trade and all other relevant factors and in respect of recurrent expenditure the best possible commercial forecast of expenditure likely to be incurred having regard to the estimates of revenue (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Estimates" be as defined in the interpretation to this Bill — **Agreed to.***

"Federal Government" or "Government" means Government of the Federal Republic of Nigeria (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Federal Government" or "Government" be as defined in the interpretation to this Bill — **Agreed to.***

"Harbour" includes estuaries, navigable rivers, piers, jetties and other works in or at which vessels can obtain shelter or load and discharge goods or passengers (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Harbour" be as defined in the interpretation to this Bill — **Agreed to.***

"ICRC" means Infrastructure Concession Regulatory Commission (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the abbreviation "ICRC" be as defined in the interpretation to this Bill — **Agreed to.***

"Land" includes the bed of the sea below high water mark (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Land" be as defined in the interpretation to this Bill — **Agreed to.***

"Licence" means an authorisation to own a port, provide a port service or operate a port facility, and "Licensed" or "Licensee" shall be interpreted accordingly (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Licence" be as defined in the interpretation to this Bill — **Agreed to.***

"Maritime labour" means dockworkers (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Maritime labour" be as defined in the interpretation to this Bill — **Agreed to.***

"Maritime domain" is defined as all area and things of, on, under, relating to, adjacent to, or boarding on a sea, ocean, or other navigable waterways, including all maritime-related activities, infrastructure, people, cargo and vessels and other conveyances carried out on the Exclusive Economic Zone and Continental shelf (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Maritime domain" be as defined in the interpretation to this Bill — **Agreed to.***

"Master" includes every person, except a pilot, having for the time being the command or charge of any vessel or ship (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Master" be as defined in the interpretation to this Bill — **Agreed to.**

"Minister" means the Minister for the time being charged with the responsibility for marine transport (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Minister" be as defined in the interpretation to this Bill — **Agreed to.**

"Minister of Finance" means the Minister for the time being charged with the responsibility for Finance (*Hon. Patrick Asadû — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the words "Minister of Finance" be as defined in the interpretation to this Bill — **Agreed to.**

"Ministry" means the Federal Ministry for the time being charged with the responsibility for transport (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Ministry" be as defined in the interpretation to this Bill — **Agreed to.**

"Nigerian waters" includes inland waters, territorial waters or waters of the Exclusive Economic zone (respectively, together or any combination thereof) (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the words "Nigerian waters" be as defined in the interpretation to this Bill — **Agreed to.**

"Off-shore cargo handling facility" means an off-shore facility within or beyond the port limits used for the transfer of cargo from a vessel to the land and vice versa (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the words "Off-shore cargo handling facility" be as defined in the interpretation to this Bill — **Agreed to.**

"Owner" in relation —

(*i*) to goods includes any consignor, consignee, shipper or agent for the sale, custody, shipping or landing of such goods; and

(*ii*) to any vessel includes any part owner, charterer, consignee or mortgagee in possession of the vessel; and

(*iii*) the legal or beneficial owner in relation to (*i*) and (*ii*) (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Owner" be as defined in the interpretation to this Bill — **Agreed to.**

"Person" includes a corporate body or partnership and where an individual is required to represent a corporate body or partnership in any circumstance pursuant to this Bill or regulations made under this Bill, it shall be sufficient if in the case of a —

(*a*) corporate body, it is represented by a duly authorized person; and

(*b*) partnership, it is represented by a partner in the partnership or a duly authorized employee of the partnership (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Person" be as defined in the interpretation to this Bill — **Agreed to.***

"Pier" includes any stage, stairs, landing places, landing stage, jetty, floating barge or pontoon and any bridge or other works connected therewith (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Pier" be as defined in the interpretation to this Bill — **Agreed to.***

"Pilotage Board" means a Board constituted under this Bill made up of nautical professionals to carry out —

(*a*) examination in connection with the licensing of pilots for a Pilotage District;

(*b*) licensing of pilots for the Pilotage District on behalf of the Authority; and

(*c*) inquiries concerning the conduct of pilots in the discharge of their duties in a Pilotage District (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Pilotage Board" be as defined in the interpretation to this Bill — **Agreed to.***

"Pilotage District" means any of the Pilotage Districts as defined by the Nigerian Ports Authority (Pilotage Districts) Order and any subsequent amendment thereto (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Pilotage District" be as defined in the interpretation to this Bill — **Agreed to.***

"port" means any place in Nigeria, navigable river or channel leading into such place having facilities for vessels to moor and load or discharge including offshore cargo handling facilities (artificial islands), harbours, berths, jetties, pontoons or buoys and wharves within the limits of the ports and includes any place declared to be a port under this Bill as direct call location for ships (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "port" be as defined in the interpretation to this Bill — **Agreed to.***

"Port dues" means dues levied in respect of a vessel for entering, using, leaving or moving or sailing in the port (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Port dues" be as defined in the interpretation to this Bill — **Agreed to.***

"Port infrastructure" means the basic structure of a port, including breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railways, and infrastructure used for the provision of water, lights, power, sewerage and telecommunications and similar services (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Port infrastructure" be as defined in the interpretation to this Bill — **Agreed to.***

"Port operator"means a person who owns the business of, or is responsible for the management and operations of ports, terminals, or berths located in a port (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Port operator" be as defined in the interpretation to this Bill — **Agreed to.***

"Port repair facilities" includes dry docks, vessels repair facilities, warehouses and railways within a port and any other facilities which are designated as such by the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Port repair facilities" be as defined in the interpretation to this Bill — **Agreed to.***

"Port services" and "Facilities" includes stevedoring, cargo handling, terminal operations, storage of cargo within a port, tug services, floating crane services, berthing services, fire fighting, security, radio and radar services, waste disposal, vessel repairs and any other services terminal and facilities for the handling, storage and transportation of goods on land adjoining the fore shore of Nigeria or a floating platform and for the handling of passengers carried by vessels within a port (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Port services" and "Facilities" be as defined in the interpretation to this Bill — **Agreed to.***

"Port service provider" includes any person providing services within a port (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Port service provider" be as defined in the interpretation to this Bill — **Agreed to.***

"Port terminal" means an area, infrastructure, cargo-handling equipment, sheds and other land-based structures used for the loading, storage and discharging of cargo or the embarkation and disembarkation of passengers and include any corresponding wharves, docks, piers, bridges and other infrastructure works, with all necessary and convenient arches, drains, culverts, fences, roads, railways and sea, land and air approaches (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Port terminal" be as defined in the interpretation to this Bill — **Agreed to.***

"Port undertakings" means the undertakings of the Authority that relate to the provision by the Authority of any facility or service of any description in connection with the exercise and performance of its powers and duties under any written law and includes any movable and immovable property and the rights of the Authority that relate to such facility or service (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the words "Port undertakings" be as defined in the interpretation to this Bill — **Agreed to.***

"Premises" includes houses, buildings, structures, lands, tenements, easements and hereditaments of any tenure, whether open or enclosed, whether built on or not, whether public or private, and whether maintained or not under the control of an authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Premises" be as defined in the interpretation to this Bill — **Agreed to.***

"Prescribe" means a rule, direction, or order laid down, approved or given by this Bill or by its subsidiary legislation or regulations or any relevant legislation (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Prescribe" be as defined in the interpretation to this Bill — **Agreed to.***

"President" means the President of the Federal Republic of Nigeria (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "President" be as defined in the interpretation to this Bill — **Agreed to.***

"regulator" means Nigerian Transportation Commission (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "regulator" be as defined in the interpretation to this Bill — **Agreed to.***

"Revenue" means any monies received by the Authority by way of charges, scales of charges or other duties imposed by or under this Bill and includes any monies accruing to the Authority under this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Revenue" be as defined in the interpretation to this Bill — **Agreed to.***

"Seafarers" includes every person except masters and pilots employed or engaged in any capacity on board any vessel (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Seafarers" be as defined in the interpretation to this Bill — **Agreed to.***

"Ship" means a vessel of any type whatsoever not permanently attached to the seabed including dynamically or any other floating craft which shall include but not limited to the Floating Production Storage and Offloading (FPSO) platform as well as Floating, Storage and offloading platform (FSO) platform (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Ship" be as defined in the interpretation to this Bill — ***Agreed to.***

"Tariff" or "Charges" or "Rates" includes port dues, goods dues and pilotage dues and other charges levied by port service providers including those charged by the Authority (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the words "Tariff" or "Charges" be as defined in the interpretation to this Bill — ***Agreed to.***

"Terminal infrastructure" includes terminal buildings, cargo handling equipment, workshops, substations, surfacing, rail sidings and terminal operations and water, lights, power, sewerage, telecommunications and similar services within terminal boundaries (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the words "Terminal infrastructure" be as defined in the interpretation to this Bill — ***Agreed to.***

"Terminal operations" means services provided at a port terminal, consisting of cargo handling storage and delivery to vessels and services related thereto (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the words "Terminal operations" be as defined in the interpretation to this Bill — ***Agreed to.***

"This Bill" includes the regulations made pursuant to this Bill (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the words "this Bill" be as defined in the interpretation to this Bill — ***Agreed to.***

"Vessel" means any kind of vessel that is used, or capable of being used, in navigation by water, howsoever propelled or moved, and includes —

(*a*) a ship, a barge, lighter, floating platforms, restaurant or other floating vessel; and an air cushion vehicle, or

(*b*) other similar craft, that is used in navigation by water (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Vessel" be as defined in the interpretation to this Bill — ***Agreed to.***

"Wharf" includes any wall and building adjoining the foreshore, sea-bed or river-bed, a quay, pier, jetty, ramp or other landing place (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the meaning of the word "Wharf" be as defined in the interpretation to this Bill — ***Agreed to.***

"Wreck" means any derelict, floatsam, jetsam,orlegan including any sunken or stranded ship or part thereof or anything that is on board such a ship that is stranded, sunken or in danger within the limits and approaches of any port (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Wreck" be as defined in the interpretation to this Bill — **Agreed to.***

"Wreck" also refers to a ship that is about or that may reasonably be expected to become a wreck by reason of collision, stranding or any other incident of navigation or any other occurrence on board the ship or external to it, resulting in material damage or imminent threat of material damage to the ship (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the meaning of the word "Wreck" be as defined in the interpretation to this Bill — **Agreed to.***

Question that Clause 124 *stands part of the Bill — **Agreed to.***

Committee Recommendation:
Clause 125: Short Title.
This Bill may be cited as the Nigerian Ports and Harbours Authority Bill, 2018 (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that Clause 125 *stands part of the Bill — **Agreed to.***

SCHEDULES

FIRST SCHEDULE

[Sections 2 (b), 28 (2)]

PORTS AND HARBOURS

(*i*) Lagos Port Complex, Apapa;
(*ii*) Tin Can Island Port Complex;
(*iii*) Kirikiri Lighter Terminal (I & II);
(*iv*) Ikorodu Lighter Terminal.
(*v*) Port Harcourt;
(*vi*) Federal Ocean Terminal, Onne;
(*vii*) Federal Lighter Terminal, Onne;
(*viii*) Warri;
(*ix*) Calabar;
(*x*) Burutu;
(*xi*) Akassa;
(*xii*) Bonny;
(*xiii*) Degema;
(*xiv*) Forcados;
(*xv*) Escravos;
(*xvi*) Koko Port;
(*xvii*) Sapele;
(*xviii*) Brass; and
(*xix*) Lekki Deep Sea (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the provisions of the First Schedule stand part of the Bill — **Agreed to.***

SECOND SCHEDULE

[Section 121 (1)]

TRANSFER PROVISIONS FOR THE NIGERIAN PORTS AND HARBOURS AUTHORITY

Transfer of Assets

1. (1) All Assets and funds which immediately before the commencement of this Bill were vested in the Authority shall by virtue of this Bill be vested in the Ports and Harbour Authority.

(2) All bonds, hypothecations, securities, deeds, contracts, instruments, documents, and working arrangements with respect to the assets transferred, that subsisted immediately before the commencement of this Bill and to which the Authority was a party, shall be as fully effective and enforceable against or in favour of the Authority as if, instead of the Authority the Authority had been named therein.

(3) Any cause of action or proceeding which existed or was pending with respect to the assets transferred by or against the Authority immediately before commencement of this Bill, shall be enforced or continued, as the case may be, by or against or in favour of the Authority in the same way that it might have been enforced or continued by or against the Authority had this Bill not been passed.

(4) No action or other proceeding shall be commenced against the Authority in respect of an employee or asset that has been transferred to the Authority, had there been no transfer, the time for commencing the action or other proceeding would have expired.

(5) Nothing in this Bill and nothing done as a result of a transfer under sub-paragraph (1) of this paragraph shall create any new cause of action in favour of:

(*a*) a holder of a debt instrument that was issued by the Authority before the commencement of this Bill;

(*b*) a party to a contract with the Authority that was entered into before the commencement of this Bill.

(6) Any guarantee or surety given or made by the Federal Government or any other person in respect of any debt or obligation of the Authority, and which was effective immediately before the transfer of the principal debt or obligation, shall remain fully effective against the guarantor or surety on and after the transfer date in relation to the payment of the debt or the performance of the obligation, as the case may be, by the Authority to which the principal debt or obligation was transferred.

Transfer of Employees

2. (1) Upon the Commencement of this Bill, persons employed by the Nigerian Ports Authority shall be transferred to the service of the Authority on terms not less favourable than those enjoyed immediately prior to the transfer.

(2) The service rendered by an employee transferred pursuant to sub-paragraph (1) of this paragraph to the Authority shall be deemed to be service with the Authority for the purpose of determining employment related entitlements as specified in the relevant laws of employment in Nigeria.

(3) Until such time as conditions of service are drawn up by the Authority —

(*a*) the terms and conditions of service applicable to employees of the Authority shall continue to apply to every person transferred to the Authority as if every such person were still in the service of the Authority; and

(*b*) the Authority shall continue to contribute towards any pension scheme to which the Authority was contributing in respect of persons in the employ of the Authority prior to the transfer date.

(4) Nothing in this paragraph shall operate so as to prevent any employee of the Authority from resigning or being dismissed from service (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

*Question that the provisions of the Second Schedule stand part of the Bill — **Agreed to.***

THIRD SCHEDULE

[Sections 4 (7)]

SUPPLEMENTARY PROVISIONS RELATING TO THE BOARD OF THE NIGERIAN PORTS AND HARBOUR AUTHORITY

Proceedings of the Board

1. Subject to the provisions of this Bill and Section 27 of the Interpretation Act, the Board may make standing orders regulating its proceedings or that of any of its committees.

2. The Chairman shall preside at every meeting of the Board and in his absence; the members present at that meeting shall appoint one of their numbers to preside at the meeting. Minutes shall be taken of each meeting of the Board and any committee by the secretary.

3. The quorum for any meeting of the Board shall be at least 5 members of the Board.

4. The Board shall meet to transact its business pursuant to this Bill whenever it is summoned by the Chairman on at least 7 days written notice. The Chairman shall, if so required by notice given to him by not less than 4 members of the Board specifying, amongst others, an agenda for the meeting, summon a meeting of the Board which shall be held no later than 14 days from the date on which the notice is served on him to discuss the items specified in the notice. The Board shall for the purposes of this Bill meet not less than 4 times in each calendar year.

5. A member of the Board who directly or indirectly has an interest of a personal nature (including but not limited to financial interests) in any matter being deliberated upon by the Board, or is personally interested in any contract made or proposed to be made by the Authority shall, so soon after the facts of the matter of his interests have come to his knowledge, disclose his interest and the nature thereof at a meeting of the Board.

6. A disclosure under paragraph 5 of this Schedule shall be recorded in the minutes of the Board meeting and the member concerned shall —

(*a*) not, after the disclosure, take part in any deliberation or decision of the Board or vote howsoever on the matter; and (*b*) be excluded for the purpose of constituting a quorum of any meeting of the Board for any deliberation or decision, with regard to the subject matter in respect of which his interest is so disclosed.

7. Decisions at a meeting of the Board shall be taken by a majority save that decisions on any of the following matters shall require a majority of at least 75% —

(*a*) the establishment of any subsidiary or participation in a joint venture or partnership of any description or the granting of a concession;

(*b*) major agreements involving procurement, sales, loan, service or otherwise in excess of ₦10,000,000.00 per transaction or ₦120,000,000.00 per annum.

8. In the case of an equality of votes the Chairman of the meeting shall have a second or casting vote.

Committees

1. Subject to its standing orders, the Board may appoint such number of standing or ad hoc committees as required by the Code of Corporate Governance and report on any matter with which the Authority is concerned

2. A committee appointed under paragraph (1) shall —

(*a*) consist of such number of persons who may not necessarily be members of the Board as may be determined by the Board, provided that the appointment of a non-Board member as a Committee member shall be subject to such terms as would be indicated in his letter of appointment; and

(*b*) be presided over by a member of the Board.

3. The quorum of any Committee set up by the Board shall be as may be determined from time to time by the Board.

4. A decision of a Committee of the Board shall be of no effect until it is confirmed by the Board.

Miscellaneous

1. The fixing of the seal of the Authority shall be authenticated by the signature of the Chairman and that of the Secretary or any other Board Member generally or specifically authorised by the Board to act for that purpose.

2. Any contract or instrument which, if made by a person not being a body corporate, would not be required to be under seal may be made or executed on behalf of the Authority by any person generally or specially authorised by the Board to act for that purpose.

3. Any document purporting to be a contract, instrument or other document duly signed or sealed on behalf of the Authority shall be received in evidence and shall, unless the contrary is proved, be presumed without further proof to have been so signed or sealed.

4. Subject to the other provisions of this Bill, the validity of any proceedings, act or decision of the Board or of any of its Committees shall not be affected by —

(*a*) any vacancy in the membership of the Board or Committee; or (*b*) any defect or irregularity in the appointment of a member of the Board or Committee; or

(*c*) by reason that any person not entitled to do so took part in the proceedings of the Board or Committee.

5. No member of the Board or a Committee shall be personally liable for any act or omission done or made in good faith while engaged on the business of the Authority.

6. A person shall not by reason only of his membership of the Board be treated as holding an office of emolument under the Government of the Federation or the Government of any State of the Federation (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the provisions of the Third Schedule stand part of the Bill — ***Agreed to.***

FOURTH SCHEDULE

[Section 7 (1) (*g*), 15 (2)]

CONFLICT OF INTEREST

1. Subject to the further provisions of this Schedule, no member of the Board or staff of the Authority shall have a direct or indirect financial interest or investment in any shipping, stevedoring, pilotage, terminal operations or any other services or receive therefrom any loan, remuneration or other rights, or have any personal interest in any contract made or proposed to be made by the Authority, throughout the tenure of his office or employment with the Authority.

2. Subject to paragraphs 3 and 4 of this Schedule, each member of Board or staff of the Authority shall on an annual basis present a written declaration not later than the third month of each year affirming the non-existence of any such interest as is specified in paragraph 1 and shall pledge to disclose and inform the Authority of any such relationship or interest that arises or is likely to arise during his tenure or employment with the Authority.

3. Members of the Board and staff of the Authority as at the commencement date of this Bill shall be entitled to a maximum of 6 months from the said commencement date within which to divest themselves of their direct or indirect financial interests or investment in any shipping, stevedoring, pilotage or terminal operations, or any similar engagements, if any.

4. All newly appointed members of the Board and staff of the Authority after the commencement of this Bill shall be entitled to a maximum of 3 months from their respective dates of appointments within which to divest themselves of their direct or indirect financial interests or investments in any shipping, stevedoring, pilotage or terminal operations, or any similar engagements, if any.

5. Each member of the Board or staff of the Authority shall declare on appointment or at the commencement of employment and annually thereafter, for as long as he serves the Authority, any interest or investment that he —

(*a*) knowingly has; or

(*b*) knows any member of his immediate family to have in any aspect of the Nigerian ports industry.

6. If a member of the Board or staff of the Authority contravenes the provisions of paragraphs 1 and 2 of this Schedule, or gives false information under paragraph 5 of this Schedule, commits an offence and liable on conviction, to the payment of a fine not exceeding ₦1,000,000.00 or imprisonment for a term not exceeding 1 year or to both.

7. Subject to paragraph 1 of this Schedule, the Board may from time to time waive the application of the prohibitions specified in paragraphs 1 and 2 of this Schedule to any member of the Board or staff of the Authority if the Board determines that the financial interest of the person concerned is not of a material nature or is minimal.

8. The Board in determining whether or not the interest of a member of the Board or staff of the Authority is minimal or not of a material nature shall consider factors including but not limited to the following —

(*a*) the revenues, investments, profits and managerial efforts of the relevant company or other entity with regard to its port activities compared with other aspects of the Authority's or such entity's businesses;

(*b*) the extent to which the Authority regulates and oversees the activity of such company or entity;

(*c*) the degree to which the economic interests of such company or other entity may be affected by an action of the Authority; and

(*d*) the perceptions held or likely to be held by the public regarding the concerned person's financial interest or investment in that company or other entity.

9. The Board may at any time review and reverse its determination under paragraph 7 of this Schedule and direct the application of the prohibitions contained in this Schedule to the member of the Board or staff of the Authority concerned. The Board shall not be under an obligation to disclose the reason or basis for its review to the member of the Board or staff of the Authority concerned.

10. In any case in which the Board exercises the waiver or the review thereof as specified in paragraphs 7 and 9 of this Schedule, the Board shall so soon thereafter publish the details thereof. Such publication shall include information regarding the identity of the person who has been granted the waiver or whose waiver has been reviewed, the position held by such person and the nature of the financial interests which are the subject of the waiver or the review thereof.

11. For the purposes of this Schedule —

(*a*) "Company" shall include partnerships and undertakings howsoever defined;

(*b*) "Immediate family" shall mean a person's spouse, a partner living with that person as if they were married to each other and children who are under the age of 18 years (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Question that the provisions of the Fourth Schedule stands part of the Bill — ***Agreed to.***

Explanatory Memorandum:
(*This Memorandum does not form part of the above Act but is intended to explain its purport*)

This Bill seeks to provide, among other things, for the establishment of the Nigerian Ports and Harbours Authority and to provide for the management and development of ports and harbours in Nigeria (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Agreed to.

Long Title:
A Bill for an Act to Repeal the Nigerian Ports Authority Act, Cap. 126, LFN, 2004 and to Re-Enact the Nigerian Ports and Harbours Act, Establish the Nigerian Ports and Harbours Authority to Provide for the Ownership, Management, Regulation and Development of Ports and Harbours and for Related Matters (*Hon. Patrick Asadu — Nsukka/Igboeze South Federal Constituency*).

Agreed to.

Chairman to report Bill.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in Committee of the Whole considered the Report of the Committee on Ports, Harbours and Waterways on a Bill for an Act to Repeal the Nigerian Ports Authority Bill, Cap. 126, LFN, 2004 and to Re-enact the Nigerian Ports and Harbours Act, Establish the Nigerian Ports and Harbours Authority to Provide for the Ownership, Management and Development of Ports and Harbours; and for Related Matters (HB. 569 and HB. 855) and approved Clauses 1 - 125, the Schedules, the Explanatory Memorandum, and the Long Title of the Bill.

Question that the House do adopt the Report of the Committee of the Whole — ***Agreed to.***

23. **Adjournment**
That the House do adjourn till Tuesday, 8 *May*, 2018 *at* 11.00 *a.m.* (*Hon. Akpatason Peter Ohiozojeh — Akoko-Edo Federal Constituency*).

The House adjourned accordingly at 4.03 *p.m.*

Yakubu Dogara
Speaker